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CANADA

NATIONAL ACCOUNTS
INCOME AND EXPENDITURE
1950 - 1955

DOMINION BUREAU OF STATISTICS
Research and Development Division

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1950 - 1955

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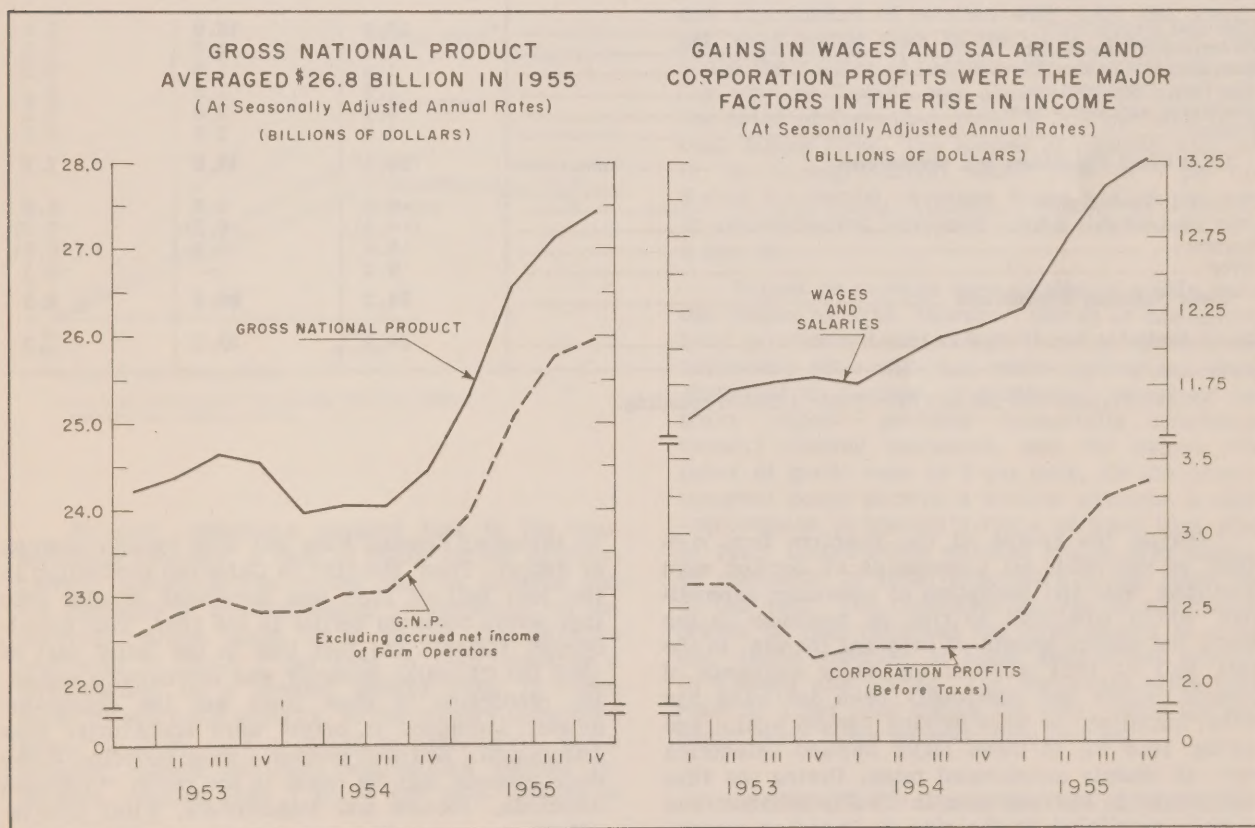
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INTRODUCTION

Review of the Year 1955

The year 1955 witnessed a sharp recovery from the mild contraction in economic activity which had characterized the period mid-1953 to mid-1954. Output of goods and services, which was beginning to rise in the latter part of 1954, expanded rapidly throughout 1955, and for the year as a whole was approximately 10 per cent higher than in the full year 1954. The upswing lifted the Gross National Product to \$26.8 billion in 1955, compared with \$24.3 billion in the previous year. With final product prices up only slightly, this increase reflected for the most part an expansion in the volume of production, which showed the largest gain of any single post-war year. It may be recalled that in 1954 the volume of output declined by more than 2 per cent while some increases in the labour force and productive capacity were taking place. These developments made possible the very sharp increase in the volume of output in 1955. The increase over the year 1953, which was the previous peak year in terms of volume of production, is estimated to be of the order of 6 per cent.

Several important expansionary factors contributed to the \$2.5 billion growth in output over the course of the year 1955. Of primary importance was the rise in personal expenditure on consumer goods and services, which led the advance in final purchases with a gain of \$1.1 billion. All segments of consumer outlays showed increases, with a major advance recorded in the durable goods group. It is interesting to note that per capita personal consumption in volume terms was about 12 per cent above the 1949 level in 1955, and that one-third of this increase occurred between 1954 and 1955. Per capita consumption of durable goods was almost 40 per cent above the year 1949. Accompanying this advance in the consumer sector, residential construction outlays showed a sharp rise in 1955, with a gain of \$0.3 billion or about 25 per cent. This increase reflected both the sharp rise in personal incomes as well as the ready availability of mortgage funds. Consumer outlays and housing expenditures together accounted for more than one-half of the increase in Gross National Expenditure in 1955.



Exports of goods and services, which declined in 1954, recovered strongly in 1955, rising by \$0.6 billion or by 12 per cent. This strength in foreign demand for Canadian goods and services was associated with the marked recovery of business activity in the United States and the rising level of activity in overseas countries. The bulk of the gain in exports was concentrated in wood and wood products, iron and its products, and non-ferrous metals, with declines occurring in the agricultural products groups.

Turning to the investment sector, business outlays for plant, machinery, and equipment absorbed \$0.3 billion of the \$2.5 billion increase in total output in 1955. It may be recalled that business investment outlays for new construction and machinery and equipment declined late in 1953 and early in 1954, after which time they remained relatively stable. During 1955, in response to a sharp rise in profits and the growing pressure of demand on existing capital facilities, business investment outlays began to rise and were moving upward

strongly at year end. Imports of machinery and equipment items were especially heavy in the last half of the year. The outlook for 1956 is for a very pronounced increase in all types of investment in durable assets.

Additional expansionary factors in 1955 were government expenditures for goods and services, which rose by \$0.3 billion, with gains occurring at all three levels; the larger grain crop, which contributed about \$0.3 billion to the gain in total Gross National Product; and the swing in business inventories from liquidation in 1954 to net accumulation in 1955, amounting to \$0.5 billion. Under these various stimuli, Canadian production rose at an uninterrupted pace throughout 1955, although a considerable part of both final and inventory demand was channelled into imports which rose by more than \$0.9 billion over the year 1954.

These changes in the pattern of final expenditures between 1954 and 1955 are shown in the table below.

	1954	1955	Change 1954 to 1955
	\$ Billions		
Personal Expenditure	15.8	16.9	1.1
Government Expenditure	4.4	4.7	0.3
Residential Construction	1.2	1.5	0.3
Non-Res. Construction	1.7	1.8	0.1
Machinery and Equipment	1.8	2.0	0.2
Exports	5.1	5.8	0.6
Total Final Purchases (ex. inventories)	30.1	32.6	2.6
Change in Inventories	-0.3	0.5	0.8
(Business only)	(-0.1)	(0.3)	(0.5)
Imports	-5.6	-6.4	+ (-0.9)
Error	0.1	—	-0.1
Gross National Expenditure	24.3	26.8	2.5
Gross Available Supply (G.N.E. plus imports)	29.9	33.2	3.3

Note: Figures will not add by +.1 or -.1 due to rounding.

During the course of the downturn from mid-1953 to mid-1954, all components of demand were declining with the exception of consumer expenditure which continued to rise in response to the small but steady growth of personal income. In the last half of 1954 most of the major segments of demand which had previously been declining had either stabilized or were moving upward again, and during 1955 all of these major demand categories rose at sharply accelerated rates. During the first half of 1955, the increase in final purchases was closely paralleled by the rise in Canadian production, with imports showing only a moderate increase. In the last half of the year, however, imports rose very sharply and a substantial portion of the gain in final purchases as well as the stepped-

up inventory demand were met from foreign sources of supply. Thus, the rise in Canadian production in the last half of 1955 was somewhat smaller than that which occurred earlier in the year. This development reflects the fact that in the latter part of 1955 the Canadian economy was approaching capacity production in some lines and the quarter-to-quarter increases in output were accordingly less substantial. Revised quarterly data covering these developments may be found in the report "National Accounts, Income and Expenditure, First Quarter 1956".

The strength in end-product demand in 1955 was reflected in the expansion of the various industrial sectors, where production increases over 1954

were widely dispersed and substantial in size¹. Manufacturing production showed an increase of about 7 per cent, with durable goods production up by about 9 per cent and non-durable goods production up by about 6 per cent. Substantial increases occurred in almost all of the manufacturing groups which had been affected by the earlier contraction in activity, including iron and steel products (up 14 per cent), electrical apparatus and supplies (up 12 per cent) and textiles (up 15 per cent). Sharp gains were also recorded in wood products, non-ferrous metal products, and non-metallic mineral products. The only major group to show a decline over the year was transportation equipment which was down about 1 per cent in spite of a 29 per cent increase in motor vehicle output. It may be noted that, despite these large gains in the manufacturing sub-groups, certain industries remained below the level of output which they achieved in 1953. Among these groups were clothing and textiles, transportation equipment, and iron and steel products.

electric power showed an advance of 10 per cent, while within the mining group, metals, non-metals, and fuels advanced by 11, 15 and 28 per cent respectively; these latter gains were partly related to strong foreign demand and the coming into production of new sources of supply.

Accompanying these developments on the production side in 1955, both personal and business incomes continued to expand, reflecting for the most part advances in wages and salaries and in investment income including corporation profits. The successive quarter-to-quarter gains in these two important income categories accounted for the greater part of the enlarged flow of income during the course of the year. Thus, wages and salaries were approximately 7 per cent above the level of the year 1954, while investment income was about 19 per cent higher, with corporation profits rising by about 23 per cent. At the same time, account must be taken of the important increase in net income of farm operators resulting from the substantially higher level of crop production in 1955. National Income as a whole was approximately 10 per cent above the previous year.

The rising tempo of economic activity in 1955 was accompanied by a substantial increase in employment, and a decline in unemployment. At year-end the number of persons with jobs was about 4 per cent higher than in the same period of 1954, while the number of persons without jobs and seeking work in Canada was almost 20 per cent below the level of December 1954, or 3.6 per cent of the total labour force. The number of persons with jobs in the non-agricultural sector rose by 7 per cent during the period. Average hours worked per week in manufacturing increased during the year by about 1 per cent.

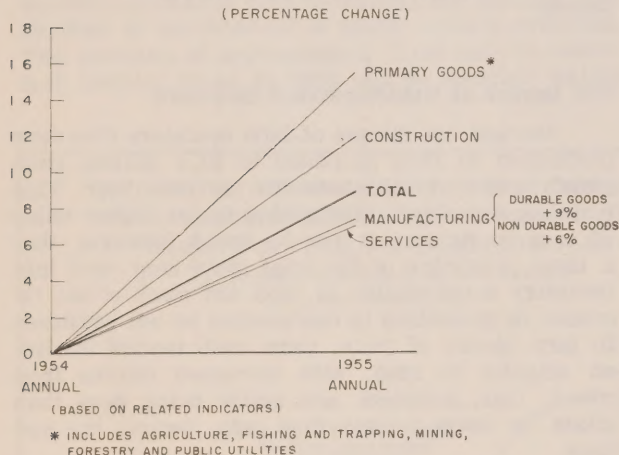
Prices on average were relatively stable during the course of 1955. However, prices of non-agricultural primary materials began to edge upward, more noticeably after mid-year, while agricultural prices continued to decline. In particular, prices of non-grain export products (especially non-ferrous metals) showed increases, and the export price index of goods rose by 2 per cent. As the price of imported goods showed a smaller advance, a slight improvement in Canada's terms of trade took place in 1955. Construction material prices also increased somewhat in 1955, especially in the latter half of the year. The continued decline in agricultural prices in 1955 reflected the large stocks of grains and ample supplies of other agricultural products in Canada and abroad. The wholesale price index rose by 3 per cent during the year, while the consumer price index showed little change.

COMPONENTS OF GROSS NATIONAL PRODUCT

Wages, Salaries and Supplementary Labour Income

Labour income rose to nearly \$12.8 billion in 1955, a gain of about 7 per cent from the level of the preceding year. This increase compares with

THE VOLUME OF PRODUCTION
MAJOR INDUSTRIAL GROUPS



Related indicators suggest that in the construction industry, a gain of about 12 per cent occurred, reflecting the record year in housing and the recovery of non-residential construction. In the services group taken as a whole, the advance amounted to about 7 per cent in 1955, marking a continuation of a general upward trend in these areas of economic activity. In the primary industries group, a large gain occurred in agriculture, while forestry, public utilities, and mining showed increases ranging from 7 to 16 per cent. Output of

1. The following analysis is based on available indicators of real output (volume of production). The general pattern of these changes is also shown in Table 20, National Income Originating by Industry, where the figures given are in value terms.

a gain of only 2 per cent between 1953 and 1954. The rise in labour income in 1955 was associated with a gain in the number of paid workers amounting to about 5 per cent, and an advance in average weekly earnings in the major non-agricultural industries of about 3 per cent. The gain of 3 per cent in average weekly earnings reflects both an increase in average hours worked per week and in average rates of pay. With average consumer prices remaining relatively unchanged in 1955, the increase in labour income from the previous year represented a further advance in "real" earnings.

The changes in production previously noted were paralleled to a large extent by changes in the industrial components of labour income in 1955. Wages and salaries in construction experienced the largest relative gain, rising by 14 per cent from the 1954 level. The increase in the finance and service industries amounted to approximately 7 per cent, and in manufacturing and the distributive trades, to 6 per cent. The primary industry group showed contrasting movements, with substantial increases occurring in the mining and forestry industries, offset in part by some fall-off of wages and salaries in agriculture and fishing. These variations in rates of advance in 1955 had no appreciable effect on the distribution of income earned by the main industrial groups.

The quarter-to-quarter movement of labour income was continuously upward in 1955, although the rate of growth slowed somewhat after mid-year.

Investment Income

Investment income amounted to \$4.4 billion in 1955, an increase of 19 per cent over 1954. Almost three-fourths of the gain in investment income is attributable to a sharp advance in corporation profits, which are estimated to have risen by about 23 per cent over 1954. This is the first increase in corporation profits since 1951, when they rose rapidly in response to the upswing in industrial activity which followed the outbreak of hostilities in Korea. After the 1951 peak, when corporation profits amounted to \$2.8 billion, profits declined on a year-to-year basis. In 1955, profits reached a new peak of \$3.0 billion. It may be noted that in 1951,

inventory valuation gains attributable to rising prices accounted for a substantial part of total profits, whereas in 1955 inventory gains of this nature were much more moderate.

Corporation profits in almost all industrial groups contributed to the rise in investment income in 1955. Gains ranged from 10 per cent to 56 per cent with one-half of the industrial groups showing increases of more than 20 per cent; this latter group included mining, up 56 per cent; manufacturing, 27 per cent; transportation, communication and storage, 35 per cent, and wholesale and retail trade, 25 per cent and 26 per cent respectively.

All other elements of investment income showed gains in 1955. Interest and net rental receipts of persons rose by about 10 per cent, reflecting increases in average rents, the growth in the number of housing units, and higher deposit interest paid by banks. Government investment income also showed an increase of 10 per cent, associated in large part with higher profits of government business enterprises. It may be noted that dividends received by individuals rose much less sharply than corporation profits in 1955, so that retained earnings of corporations were correspondingly higher.

Net Income of Unincorporated Business

Accrued net income of farm operators from farm production in 1955 amounted to \$1.4 billion, compared with \$1.1 billion in the previous year. This increase is entirely attributable to the higher value of crop production. It may be noted, however, that a large proportion of the total grain crop went into inventory accumulation in 1955 and much of the increase in production is represented by net additions to farm stocks of grain. Farm cash income declined slightly in 1955, with increased returns from wheat, flax, potatoes, and cattle being more than offset by lower returns from oats, barley, rye and hogs.

The following table shows the consolidated operating account for farm operators for the years 1954 and 1955.

	1954	1955	Change 1955 over 1954
	(millions of dollars)		
Farm cash income.....	2,395	2,352	-43
Income in kind.....	393	405	12
Farm inventory change.....	-115	211	326
Gross Income.....	2,673	2,968	295
Deduct:			
Farm operating expenses.....	1,240	1,298	58
Depreciation	246	249	3
Add:			
Adjustment on grain transactions	-4	22	26
Other adjustments.....	-36	-39	-3
Accrued Net Income of Farm Operators from Farm Production	1,147	1,404	257

Net income of other unincorporated business advanced by about 8 per cent in 1955, to a level of \$1.8 billion. This rise was concentrated in construction and retail trade, with the former reflecting a higher volume of residential housing construction.

Indirect Taxes Less Subsidies

Indirect taxes less subsidies amounted to \$3.2 billion in 1955, an increase of 9 per cent over 1954. At the federal level, the increase in indirect taxes amounted to 8 per cent, reflecting for the most part gains in customs import duties and in federal excise taxes and excise duties. The largest single increase occurred in customs import duties which rose by 17 per cent, responding to the sharp rise in merchandise imports of 16 per cent. Excise taxes and excise duties increased by 6 and 8 per cent respectively, reflecting a marked increase over the previous year in shipments of goods subject to these two types of taxes.

Provincial indirect taxes were higher by 12 per cent in 1955. Increased expenditures by consumers were mirrored in higher collections of general retail sales and gasoline sales taxes at the provincial level, while higher activity in the extractive industries such as mining and forestry contributed to an increase in public domain revenues. The increase of approximately 7 per cent in municipal indirect taxes in 1955 can be ascribed mainly

to higher real estate and personal property taxes, which continued to move upward as investment in residential and non-residential construction increased.

Depreciation Allowances and Similar Business Costs

Depreciation allowances and similar business costs increased by 7 per cent in 1955 to reach a total of \$2.9 billion. Almost all of the increase was due to higher corporation capital cost allowances, mining development write-offs and depreciation charges for residential and non-residential real estate. It may be noted that corporate depreciation estimates for the years 1954 and 1955 have been revised upward in the light of recent information on the effect of changes in income tax regulations with respect to capital cost allowances introduced in 1954.

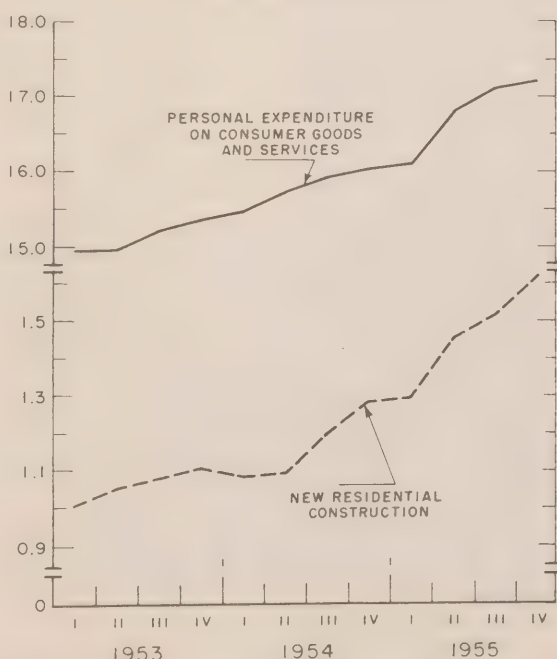
COMPONENTS OF GROSS NATIONAL EXPENDITURE

Personal Expenditure on Consumer Goods and Services

As in 1954, the major expansionary force in the economy in 1955 was personal expenditure on consumer goods and services, which rose by almost 7 per cent over the previous year, to \$16.9

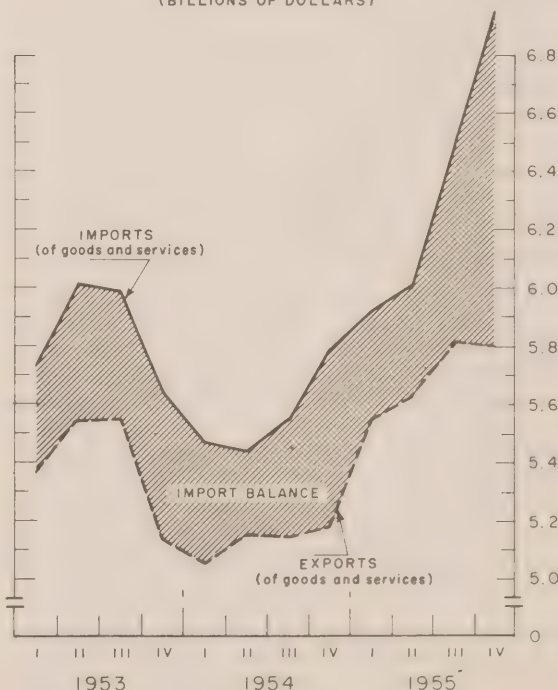
OUTLAYS FOR CONSUMER GOODS AND INVESTMENT
IN NEW HOUSING ACCOUNTED FOR HALF OF THE
GROWTH IN FINAL PURCHASES IN 1955

(At Seasonally Adjusted Annual Rates)
(BILLIONS OF DOLLARS)



BOTH EXPORTS AND IMPORTS
INCREASED MARKEDLY IN 1955

(At Seasonally Adjusted Annual Rates)
(BILLIONS OF DOLLARS)



billion. The increase was associated with a sharp rise in the level of personal income, which showed the largest per capita gain in real terms of the post-war period. The rise in durable goods purchases in 1955 was especially marked, with a gain of about 12 per cent, while non-durable goods purchases and outlays for services showed gains of 5 and 7 per cent respectively. Non-durable goods purchases accounted for about one-half of the total gain in consumer outlays, although in percentage terms the increase was less than half as great as that for durable goods purchases. While there were marked shifts in the composition of consumer prices in 1955, on average they showed little change, so that the volume increase in total consumer expenditure paralleled the value increase of 7 per cent.

In the durable goods group, some of the more striking increases in 1955 occurred in the following items: new passenger cars, unit sales of which were up by 25 per cent over last year (the gain from the first to second quarter was particularly noteworthy); refrigerators, shipments of which were up by 14 per cent; washing machines, shipments of which were up by 25 per cent; and television sets, shipments of which were up by 22 per cent. Sales of furniture and appliance stores showed major gains in 1955. Prices of durable goods in 1955 were about 5 per cent below the average for the year 1954, so that the volume gain in durable goods purchases

amounted to about 18 per cent, compared with the value gain of 12 per cent. The advance in total durable goods sales over a year ago was accompanied by an increase in instalment credit outstanding; the most recent figures for December 1955 indicate a rise of 20 per cent over December 1954. In the same period, personal disposable income had risen by about 8 per cent. Total consumer credit outstanding (including cash personal loans) was up 19 per cent in the year-end comparison.

The major gain in non-durable goods purchases in 1955 was in the food component, which rose by 5 per cent. In contrast to 1954, when purchases of clothing declined, there was a modest gain in this item in 1955. Gains in other sub-components of the non-durable goods group were widespread in 1955. With prices of non-durable goods relatively stable, the volume gain in non-durable expenditure in 1955 was approximately the same as the value increase of 6 per cent.

Consumer outlays for services continued to move upward in 1955. The advance was accompanied by a price increase, so that the volume of consumer services in 1955 was somewhat less than the value increase. This gain reflects to a substantial degree the increase in outlays for residential rents.

Value and Volume Percentage Changes in Gross National Expenditure Components, from 1954 to 1955

	Value	Volume
	%	%
Personal Expenditure on Consumer Goods and Services	+ 7	+ 7
Non Durable Goods.....	+ 5	+ 6
Durable Goods.....	+ 12	+ 18
Services	+ 7	+ 5
Government Expenditure on Goods and Services	+ 7	+ 4
New Residential Construction	+ 27	+ 23
New Non-Residential Construction	+ 7	+ 4
Machinery and Equipment	+ 10	+ 7
Exports of Goods and Services.....	+ 12	+ 7
Imports of Goods and Services	+ 15	+ 13
Gross National Expenditure	+ 10	+ 9

Government Expenditure on Goods and Services

Purchases of goods and services by all levels of government (federal, provincial and municipal) amounted to \$4.7 billion in 1955, 7 per cent above the 1954 level. The increase over 1954 reflected gains in federal and provincial capital investment outlays, the expansion of municipal facilities associated with the high level of house building activity, higher outlays for salaries and wages, and slightly higher defence expenditures. Defence outlays did not constitute a major expansionary influence in 1955, but continued to provide an important sustaining element.

Gross Domestic Investment (excluding Change in Inventories)

Gross domestic investment in fixed durable assets reached an all time peak of \$5.3 billion in

1955, increasing by 13 per cent over 1954. This gain provided an important stimulus to final demand in 1955, in contrast to 1954 when declines occurred in non-residential construction and investment in machinery and equipment. The year-end level of gross domestic investment was at a seasonally adjusted annual rate approximately 9 per cent above the 1955 yearly average. The year-to-year increase over 1954 was spread among the three major groups—housing, non-residential construction, and new machinery and equipment. Of these groups, the advance in housing contributed about one-half of the total gain; new investment in machinery and equipment accounted for less than one-third, and non-residential construction provided the remainder of the increase.

The rise in construction activity was matched by increased employment in the construction industry as measured by the labour force survey. For

1955 as a whole, total construction employment was 10 per cent above the 1954 average, while in the fourth quarter of 1955, the gain was 13 per cent over the corresponding period of the previous year. Slightly higher prices for construction materials and an increase in wage rates accompanied these developments in 1955.

Towards the end of 1955 the supply of certain building materials, such as cement and steel was becoming rather tight, though the shortage did not appear to have held back the investment programme to any appreciable extent.

A variety of influences was responsible for the increase in investment in 1955. In the field of housing construction, the larger supply of mortgage funds made available by the banking system, along with a rising level of personal disposable income, made possible a striking gain in the number of housing units built. For the year 1955, 138,000 units were started, and 128,000 units were completed, representing gains of 22 per cent and 25 per cent, respectively, over the preceding year. At year end, there were approximately 80,000 housing units still under construction. The value of housing construction in 1955 was estimated at \$1,476 million, up 27 per cent from 1954.

The influences affecting investment in non-residential construction and machinery and equipment were somewhat different from those affecting

housing. The downturn in late 1953 and early 1954 made available excess capacity in some portions of the economy, and this slack was gradually utilized as the recovery gained ground. As 1955 progressed, the expansion began to press upon existing capacity, and plant and equipment investment programmes were sharply increased to meet present and anticipated demand.

This additional investment was concentrated in those industries which responded to external as well as domestic demands. Large increases in exports of industrial minerals and wood products were accompanied by increased investment in those industries. As well, some further expansion took place in fuel and power industries, to meet growing demands for energy. At the same time, the substantial increase in profits in 1955 likely added both a stimulus to increased investment, and aided in the financing of this investment.

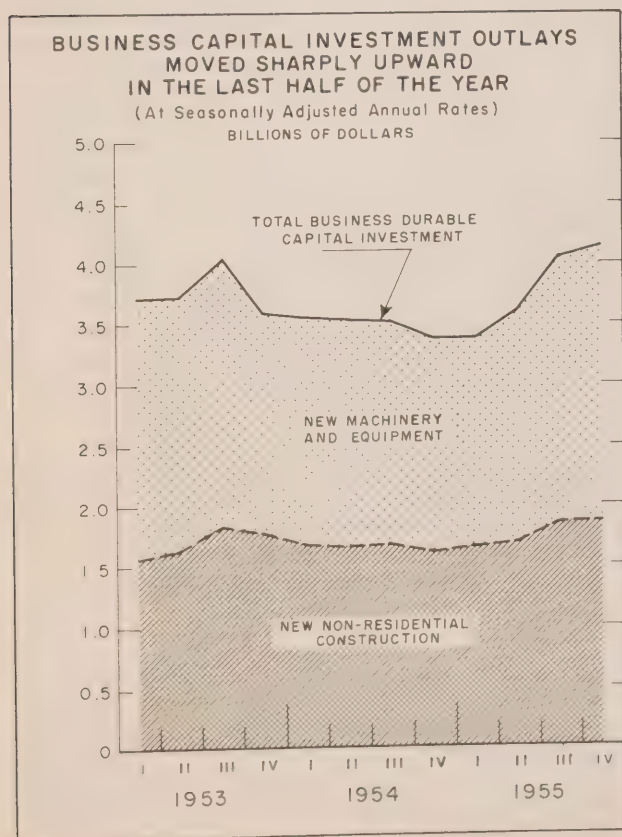
New non-residential construction was valued at \$1,775 million in 1955, up 7 per cent from the preceding year. However, the pickup did not appear strongly until the last half of the year.

Investment in new machinery and equipment amounted to \$2,017 million in 1955, up 10 per cent from 1954, although still slightly below the 1953 peak year.

Most of the increase in machinery and equipment investment in 1955 was met through larger imports, which rose sharply over the previous year. Major gains were recorded in imports of non-farm machinery (up 17 per cent), farm implements and machinery (up 25 per cent), aircraft and parts (up 38 per cent), and engines and boilers (up 20 per cent).

Investment in Inventory

Total inventory investment amounted to \$508 million in 1955, compared with a liquidation of \$270 million in the previous year. This swing in inventory investment of \$778 million made a substantial contribution to the higher level of Gross National Product in 1955. The turn-around was partly a reflection of the larger grain crop in 1955, and partly a reflection of the pronounced up-swing in final demand which appeared to require a higher level of business inventory holdings to maintain adequate working stocks at a time when stock-sales ratios were falling. It should be noted, however, that certain industrial and wholesale prices were rising in 1955 and that about one-half of the value swing in business inventories can be accounted for by these price factors. In terms of volume change, the shift in total inventories from liquidation in 1954 to accumulation in 1955 amounted to more than one-third of the real increase in Gross National Product; the shift in the volume of business inventories alone accounted for about one tenth of the overall volume increase.



The major part of the business inventory build-up in 1955 occurred in manufacturing and in wholesale and retail trade. The manufacturing sector had experienced a marked liquidation of inventory in 1954, and it accounted for the largest share of the turn-around in business inventories between 1954 and 1955.

The higher level of stocks at the manufacturing and trade levels during 1955 did not, in general, appear to be excessive in the light of the rapid expansion in the volume of trade to be serviced by them. Stock-sales ratios at the manufacturing, wholesale and retail levels were somewhat lower throughout the year than during 1954. Moreover, the valuation of inventories at the end of 1955 was affected by a slight rise in their average price throughout 1955 so that the increase in physical stocks, on the whole, was less than these dollar-value comparisons indicate.

The accumulation of business inventories in 1955, amounting to \$317 million, took place at different rates throughout the year. In the first quarter, there was a very substantial build-up, reflecting in large part the accumulation of automobile inventories at the factory level. In the second and third quarters, final purchases of goods were increasing sharply, and additions to inventories were moderate. By the fourth quarter of the year, while final purchases continued to expand, the combined supply of goods coming from domestic production and the high rate of imports in the latter part of the year was sufficient to add substantially to business stocks, on a seasonally adjusted basis. This accumulation in the fourth quarter was spread fairly generally throughout the industrial groups, with increases occurring (after allowing for seasonal variation) in motor vehicles, parts and accessories, iron and steel products, electrical apparatus and supplies, clothing, paper products and in a wide range of other commodities. A large proportion of this increase took place at the manufacturing level, with further additions to stocks being made at the wholesale level. Retail sales in general appeared to keep pace approximately with the flow of goods entering retail channels, with the result that, in the fourth quarter, little or no net additions to stock were made at this level, after allowance for seasonal factors.

Exports and Imports of Goods and Services¹

Responding to the recovery of industrial activity in the United States, strong overseas demand for Canadian goods, a rising level of Canadian production, and higher consumer and investment outlays, exports and imports of goods and services rose to new record levels in 1955. The gain in exports amounted to 12 per cent, and in imports, to 15 per cent, bringing the annual levels to \$5.8 and

\$6.4 billion respectively. These advances in exports and imports of goods and services were mainly attributable to a sharp recovery in commodity trade in 1955, following the declines of the previous year. However, payments and receipts on invisible items were also up sharply in 1955.

In the export group, gains in forest products, minerals, metals and chemicals were especially noteworthy. Sharp increases occurred in exports of iron ore, chemicals, and crude petroleum made possible by new industrial capacity in Labrador and Western Canada. Gains in wood and wood products, and non-ferrous metals were of particular significance in the total export increase, the latter group reflecting to a large extent higher prices. Substantial increases in domestic production in mining, forestry and manufacturing of wood products accompanied these developments. The sharp advances in the commodity exports noted above more than offset a decline in shipments of grain and in some types of manufactured products in 1955. Receipts from the sale of services to non-residents rose in 1955 with increased revenue from tourist expenditures, freight and shipping, and interest and dividends accounting for most of the gain.

Even more striking than the gain in exports in 1955 was the sharp advance in commodity imports, particularly in the latter half of the year. The major part of the increase in imports was from United States sources, and in the third and fourth quarters of 1955 imports from that country were 26 per cent and 28 per cent, respectively, above the same period of 1954. While the increase in imports was widespread, the major gains occurred in metal products including primary steel, industrial machinery and equipment, automobiles and parts, aircraft, electrical apparatus, and other kinds of hard goods. These increases were related to the recovery of investment in plant and equipment and consumer outlays for durable goods in 1955. Imports of textile materials and products also rose sharply in 1955, associated with a pick-up in clothing and textile production, and higher consumer expenditure on clothing. Payments to non-residents for services increased in 1955 with the main gains occurring in tourist and travel expenditures, freight and shipping payments (associated with the higher volume of commodity imports), and interest and dividend outlays.

With imports rising relatively more rapidly than Canadian production, foreign sources of supply provided a somewhat larger proportion of the goods and services available to Canadians in 1955, especially in the latter half of the year.

Export prices of goods and services in 1955 were about 3 per cent higher than in 1954, while import prices rose less than 2 per cent. Thus a slight improvement occurred in Canada's terms of trade with other countries. The deficit on current account in 1955 was \$677 million (on the National Accounts basis) compared with a deficit of \$427 million in 1954. The greater part of the increase in the deficit in 1955 was attributable to transactions on commodity account.

1. For a fuller discussion see "Quarterly Estimates of the Canadian Balance of International Payments, Fourth Quarter, 1955 and Preliminary Estimates, Calendar Year 1955" (Balance of Payments Section, D.B.S.).

Personal Income, Expenditure and Saving

Personal Income amounted to \$19.7 billion in 1955, a gain of 8 per cent over the previous year. This was somewhat less than the gain in National Income, which rose by 10 per cent. The difference in these magnitudes was mainly a reflection of the fact that corporation profits, included in National Income, rose much more sharply in 1955 than dividend payments to Canadians. It may be recalled that in 1954, Personal Income showed a small advance in the face of a decline in National Income. This difference was again partly a reflection of the relatively greater stability of dividend payments, which continued to be maintained at a time when profits were declining.

All components of Personal Income were higher in 1955. Of the \$1.5 billion increase over the previous year, \$0.8 billion was due to higher wages and salaries, \$0.2 billion to higher farm income, and the balance to gains in government transfer payments, interest, dividends and net rental income, and net income of non-farm unincorporated business. "Real" personal income per capita showed the sharpest advance in 1955 of any year in the post-war period.

about half of the increase in total consumer outlays occurred in non-durable goods purchases, although the percentage rise in this component was only half as sharp as in the durable group. Personal direct tax collections were about 3 per cent higher in 1955 than in 1954, reflecting for the most part a sharp increase in succession duty collections. Personal income tax collections were level with the preceding year, reflecting mainly the interaction of a higher level of personal income in 1955 and a reduction of the personal income tax rate effective from mid-year.

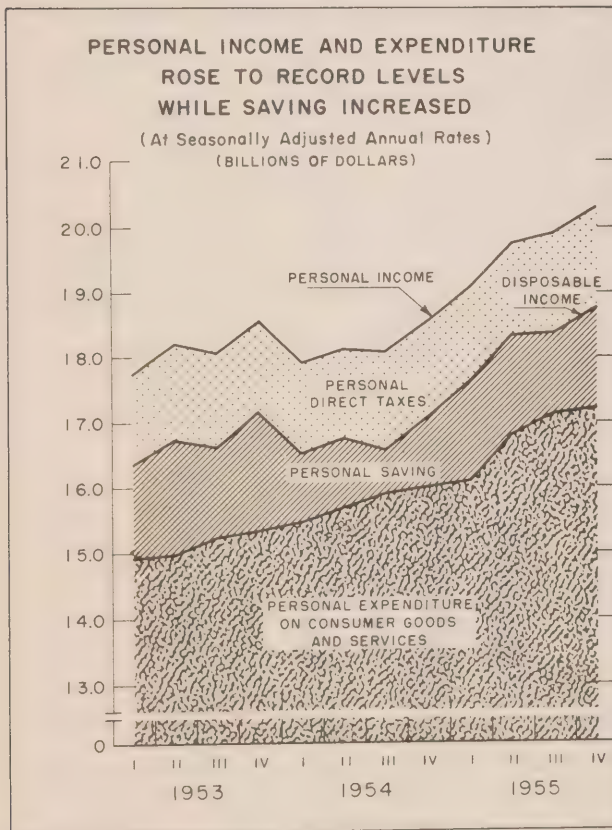
Personal saving¹ in 1955 amounted to \$1.3 billion compared with \$1.0 billion in 1954. The rise in saving over the preceding year reflected for the most part the higher grain crop in 1955, with the shift in farm inventories accounting for \$0.3 billion. As a percentage of Personal Income, personal saving was 6.7 per cent in 1955 compared with 5.3 per cent in 1954. Excluding the change in farm inventories, the ratios were 5.6 per cent in 1955 and 5.9 per cent in 1954.

National Saving and Investment

Gross national saving rose by 26 per cent in 1955 from approximately \$4.1 billion in 1954 to \$5.1 billion. This increase was attributable to higher levels of personal and business saving, which contributed \$0.3 billion and \$0.5 billion respectively to the total gain of \$1.0 billion, and to a shift in the consolidated government account from a deficit to a surplus position, which contributed an additional \$0.2 billion. National saving was 19 per cent of gross national product in 1955 compared with 17 per cent in 1954 and 20 per cent in 1953.

These changes in the level and the composition of the nation's total saving in 1955 require further elaboration in two respects. First, personal saving includes changes in farm stocks, and the major part of the rise in personal saving in 1955 can be traced to the shift in this item from depletions in 1954 to net additions in 1955, a reflection of the larger grain crop in the latter year. Second, the government surplus as adjusted for national accounts purposes includes the excess of corporation tax ac-

1. It should be noted that personal saving as computed in the National Accounts is a residual item being the difference between personal disposable income and personal expenditure on consumer goods and services. A direct computation of personal saving on the National Accounts basis would involve the summation of many items, including the changes in bank deposits of individuals, personal purchases of bonds, the savings portion of life insurance premiums, repayment of debt (including residential mortgages), and that part of the net income of individual enterprisers (such as farmers, doctors, and small retailers) which takes the form of net new investment in durable assets or additions to inventories. From the foregoing, it will be apparent that a considerable part of the personal saving figure is represented by assets which are not in liquid form.



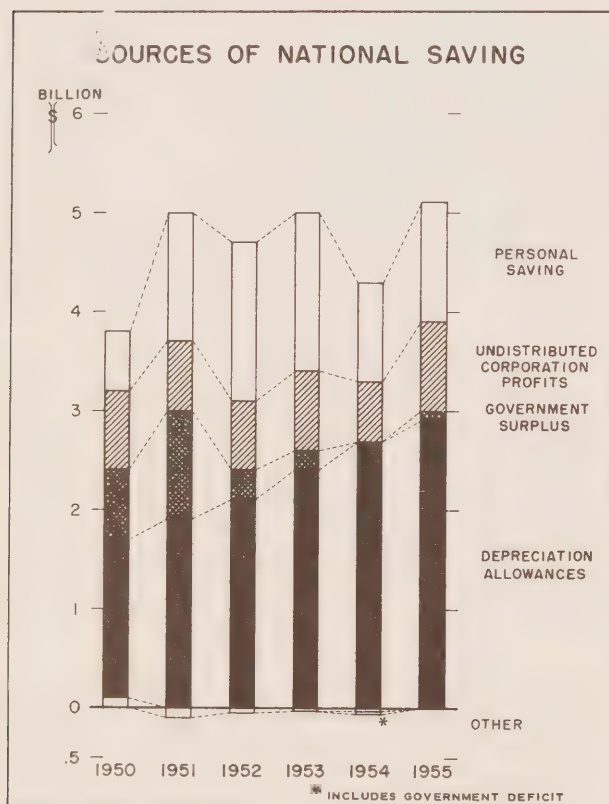
Turning to the expenditure side, personal expenditure on consumer goods and services rose by 7 per cent in 1955, with durable goods purchases showing a major advance of about 12 per cent;

	1954	1955	Change 1954 to 1955
(millions of dollars)			
Gross Private Saving:			
Personal saving	1.0	1.3	+ .3
Undistributed corporation profits6	.9	+ .3
Depreciation allowances	2.7	2.9	+ .2
Other	—	—	—
Government surplus	—	.1	+ .2
Residual error	- .1	—	+ .1
Gross National Saving¹	4.1	5.1	+ 1.0
Gross Domestic Investment:			
Gross domestic investment (ex. inventories)	4.7	5.3	+ .6
Change in inventories	- .3	.5	+ .8
Net foreign investment	- .4	- .7	- .3
Residual error1	—	- .1
Gross National Investment¹	4.1	5.1	+ 1.0

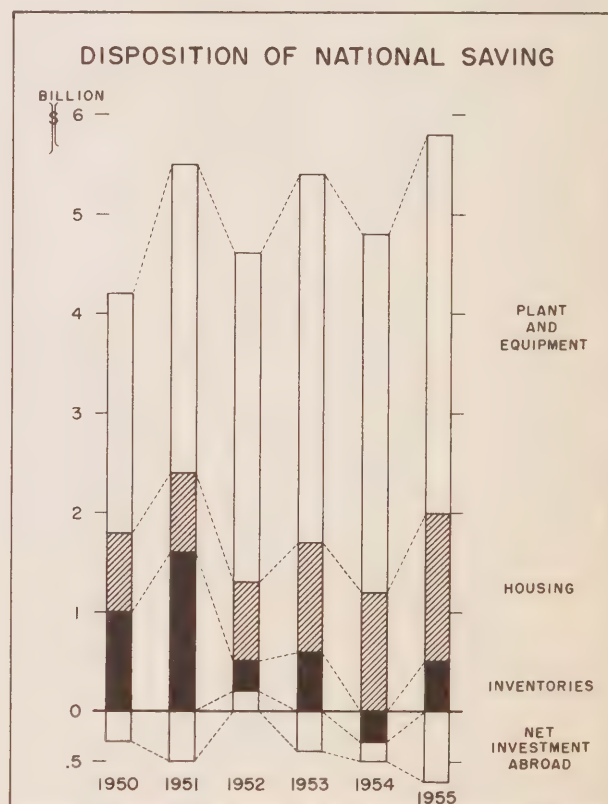
1. Figures will not add by + .1 or - .1 due to rounding.

cruals over collections, and in 1955 these amounted to more than \$200 million. Since the funds represented by these tax liabilities remained in the hands of the business sector in 1955, there was no net withdrawal of funds from the private to the

government sector as a result of the current account transactions of government. In other words, the government surplus in 1955 exercised a more or less neutral effect on the flow of incomes and expenditures.



Despite the sharply increased level of the nation's saving in 1955, the amount available was nevertheless insufficient to support the expanded programme of capital investment in housing, plant, machinery and equipment, and inventories. Thus, while national saving was at a rate of \$5.1 billion, the total domestic investment programme including



inventories amounted to \$5.8 billion. The short fall in the nation's saving was met again by drawing upon foreign resources, and the deficit on current account in 1955 amounted to \$677 million, an increase of \$250 million over the deficit sustained in 1954.

Section 1
INCOME AND EXPENDITURE ACCOUNTS
A. Summary Tables

TABLE 1. National Income and Gross National Product, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Wages, Salaries and Supplementary Labour Income	8,311	9,716	10,868	11,715	11,994	12,810
2	Military pay and allowances	137	201	270	309	367	394
3	Investment Income	3,155	3,642	3,763	3,782	3,654	4,355
	Net Income of Unincorporated Business:						
4	Accrued Net Income of Farm Operators from Farm Production ¹	1,503	2,072	1,851	1,652	1,147	1,404
5	Net Income of Non-farm Unincorporated Business ²	1,444	1,507	1,574	1,675	1,646	1,775
6	Net National Income at Factor Cost	14,550	17,138	18,326	19,133	18,808	20,738
7	Indirect Taxes Less Subsidies	2,018	2,478	2,714	2,907	2,943	3,209
8	Depreciation Allowances and Similar Business Costs	1,636	1,910	2,120	2,418	2,673	2,865
9	Residual Error of Estimate	-1	-52	95	15	-107	-43
10	Gross National Product at Market Prices	18,203	21,474	23,255	24,473	24,317	26,769

1. Includes changes in farm inventories as follows:

1950	1951	1952	1953	1954	1955
131	354	237	50	-115	211

Also includes the undistributed earnings of the Canadian Wheat Board and an inventory valuation adjustment for grain in Wheat Board channels, on a calendar year basis. See footnote 4, Table 52.

2. Includes net income of independent professional practitioners.

TABLE 2. Gross National Expenditure, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Personal Expenditure on Consumer Goods and Services ¹	12,029	13,273	14,366	15,112	15,823	16,888
2	Government Expenditure on Goods and Services ²	2,326	3,243	4,245	4,388	4,418	4,738
	Gross Domestic Investment: ³						
3	New Residential Construction	801	781	786	1,061	1,166	1,476
4	New Non-Residential Construction	1,026	1,260	1,554	1,706	1,659	1,775
5	New Machinery and Equipment	1,389	1,769	1,916	2,073	1,841	2,017
6	Change in Inventories	960	1,620	310	591	-270	508
	(Business inventories only)	(769)	(1,267)	(-18)	(395)	(-140)	(317)
7	Exports of Goods and Services ⁴	4,183	5,089	5,573	5,400	5,147	5,753
8	Deduct: Imports of Goods and Services	-4,513	-5,613	-5,400	-5,843	-5,574	-6,430
9	Residual Error of Estimate	2	52	-95	-15	107	44
10	Gross National Expenditure at Market Prices	18,203	21,474	23,255	24,473	24,317	26,769

1. For detail, see Table 44.

2. Includes defence expenditures as follows: 1950, \$493 million; 1951, \$1,157 million; 1952, \$1,800 million; 1953, \$1,907 million; 1954, \$1,727 million; 1955, \$1,756 million. Includes outlay on new durable assets such as building and highway construction by governments, other than government business enterprises (for detail see Table 40, footnote 3 and Table 54, lines 2, 3, 4). Also includes the change in inventories of government commodity agencies and the Defence Production Revolving Fund. Excludes shipments of previously produced military equipment to N.A.T.O. countries but includes replacements of new equipment.

3. Includes capital expenditures by private and government business enterprises, private non-commercial institutions, and outlays on new residential construction by individuals and business investors.

4. Excludes shipments of military equipment to N.A.T.O. countries under the Defence Appropriation Act. See also Table 55.

TABLE 3. Gross National Expenditure in Constant (1949) Dollars, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Personal Expenditure on Consumer Goods and Services ¹	11,645	11,572	12,237	12,905	13,375	14,300
2	Government Expenditure on Goods and Services	2,216	2,760	3,462	3,452	3,357	3,481
	Gross Domestic Investment:						
3	New Residential Construction	760	650	635	832	910	1,122
4	New Non-Residential Construction	970	1,061	1,223	1,287	1,250	1,294
5	New Machinery and Equipment	1,317	1,494	1,626	1,725	1,518	1,628
6	Change in Inventories	591	1,056	483	584	- 266	436
	(Business inventories only)	(375)	(665)	(82)	(328)	(- 60)	(160)
7	Exports of Goods and Services	4,034	4,406	4,872	4,856	4,671	4,998
8	Deduct: Imports of Goods and Services	- 4,210	- 4,705	- 4,874	- 5,297	- 5,058	- 5,721
9	Sub Total	17,323	18,294	19,664	20,344	19,757	21,538
10	Residual Error of Estimate	2	46	- 79	- 12	87	35
11	Gross National Expenditure in Constant (1949) Dollars	17,325	18,340	19,585	20,332	19,844	21,573
12	Index of Gross National Expenditure in Constant (1949) Dollars	106.3	112.5	120.1	124.7	121.7	132.3
13	Percentage change from previous year	+ 6.3%	+ 5.9%	+ 6.8%	+ 3.8%	- 2.4%	+ 8.7%

1. Detail as follows:

	1950	1951	1952	1953	1954	1955
Non-durable goods	7,119	7,003	7,307	7,678	8,070	8,544
Durable goods	1,324	1,217	1,378	1,558	1,489	1,754
Services	3,202	3,352	3,552	3,669	3,816	4,002
Total	11,645	11,572	12,237	12,905	13,375	14,300

TABLE 4. Implicit Price Deflators — Gross National Expenditure, 1950-1955 ¹

(1949 = 100)

No.		1950	1951	1952	1953	1954	1955
1	Personal Expenditure on Consumer Goods and Services	103.3	114.7	117.4	117.1	118.3	118.1
2	Government Expenditure on Goods and Services	105.0	117.5	122.6	127.1	131.6	136.1
	Gross Domestic Investment:						
3	New Residential Construction	105.4	120.2	123.8	127.5	128.2	131.6
4	New Non-Residential Construction	105.8	118.8	127.1	132.6	132.7	137.2
5	New Machinery and Equipment	105.5	118.4	117.8	120.2	121.3	123.9
6	Exports of Goods and Services	103.7	115.5	114.4	111.2	110.2	115.1
7	Deduct: Imports of Goods and Services	107.2	119.3	110.8	110.3	110.2	112.4
8	Residual Error of Estimate	103.0	113.0	120.1	120.9	122.3	124.2
9	Gross National Expenditure*	102.5	114.1	119.3	120.2	122.9	123.3
	*The price deflator for Gross National Expenditure is calculated as follows:						
1	Gross National Expenditure in "Current" Dollars (see Table 2)	18,203	21,474	23,255	24,473	24,317	26,769
2	Inventory Valuation Adjustment	- 444	- 555	111	- 37	69	- 162
3	Equals Adjusted Value of Gross National Expenditure	17,759	20,919	23,366	24,436	24,386	26,607
4	Divide by Gross National Expenditure in Constant 1949 Dollars (line 11, Table 3)	17,325	18,340	19,585	20,332	19,844	21,573
5	Equals Implicit Price Index (line 9, Table 4)	102.5	114.1	119.3	120.2	122.9	123.3

1. These data are given on a 1935-39 base in tables 50 and 51 in order to provide continuity with similar tables in "National Accounts, Income and Expenditure, 1926-1950".

TABLE 5. Relation Between Net National Income at Factor Cost, Personal Income, Personal Disposable Income and Personal Saving, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Net National Income at Factor Cost	14,550	17,138	18,326	19,133	18,808	20,738
2	Add — Transfer Payments (excluding interest on transfer portion of public debt and charitable contributions from corporations) ¹	1,056	1,057	1,385	1,489	1,656	1,751
3	Add — Transfer Portion of Interest on the Public Debt ¹	442	450	467	489	536	529
4	Deduct — Earnings Not Paid Out to Persons ²	- 2,634	- 2,952	- 2,964	- 2,979	- 2,778	- 3,335
5	Equals — Personal Income	13,414	15,693	17,214	18,132	18,222	19,683
6	Deduct — Personal Direct Taxes	- 740	- 1,030	- 1,323	- 1,432	- 1,434	- 1,483
7	Equals — Personal Disposable Income	12,674	14,663	15,891	16,700	16,788	18,200
8	Deduct — Personal Expenditure on Consumer Goods and Services	- 12,029	- 13,273	- 14,366	- 15,112	- 15,823	- 16,888
9	Equals — Personal Saving	645	1,390	1,525	1,588	965	1,312
10	Change in Farm Inventories (Value of Physical Change)	131	354	237	50	- 115	211
11	Personal Saving excluding Change in Farm Inventories	514	1,036	1,288	1,538	1,080	1,101

1. Since National Income excludes transfer payments and Personal Income includes them, items 2 and 3 are added back here. However, charitable contributions from corporations are not added since they are included in National Income.

2. This item includes: undistributed corporation profits, corporation profits taxes, withholding taxes, government investment income, adjustment on grain transactions, and employer and employee contributions to social insurance and government pension funds.

Section 1
INCOME AND EXPENDITURE ACCOUNTS
B. Analysis of Income and Expenditure Accounts
by Sectors of the Canadian Economy

TABLE 6. Personal Income and Expenditure Account, 1950-1955

Income

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Wages, Salaries and Supplementary Labour Income:						
	(a) From business (27a).....	7,162	8,371	9,327	10,024	10,120	10,780
	(b) From governments (19bi)	933	1,093	1,261	1,377	1,524	1,665
	(c) From persons (8b).....	216	252	280	314	350	365
	(d) Deduct employer and employee contributions to social insurance and government pension funds (16).....	- 256	- 329	- 358	- 390	- 396	- 420
2	Military Pay and Allowances (19bii)	137	201	270	309	367	394
3	(a) Net income received by farm operators from farm production ¹ (27b)	1,402	2,108	1,882	1,657	1,151	1,382
	(b) Net income of non-farm unincorporated business (27c) ..	1,444	1,507	1,574	1,675	1,646	1,775
4	Interest, dividends and net rental income of persons ² (45a)...	1,295	1,406	1,566	1,649	1,779	1,960
5	Transfer Payments (excluding interest):						
	(a) From governments (20b).....	1,033	1,032	1,360	1,464	1,630	1,725
	(b) Charitable contributions from corporations (45b).....	25	27	27	28	25	31
	(c) Net bad debt losses of corporations (49c).....	23	25	25	25	26	26
6	Total	13,414	15,693	17,214	18,132	18,222	19,683

1. This item differs from line 4 of Table 1 in that it excludes undistributed earnings (and the inventory valuation adjustment) of the Canadian Wheat Board, on a calendar year basis.

2. Includes all government debt interest paid to persons.

TABLE 7. Personal Income and Expenditure Account, 1950-1955

Expenditure

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
7	Personal Direct Taxes:						
	(a) Income taxes (11a)	612	890	1,177	1,287	1,296	1,296
	(b) Succession duties (11b).....	66	69	73	73	78	120
	(c) Miscellaneous (11c)	62	71	73	72	60	67
8	Purchase of Goods and Services:						
	(a) From business (23a).....	11,544	12,681	13,675	14,355	14,997	15,982
	(b) Direct services (1c)	216	252	280	314	350	365
	(c) Tourist and travel expenditure:						
	(i) U.S.A. (33ai)	193	246	294	307	320	363
	(ii) U.K. and other Sterling Area ¹ (33aii)	24	25	32	37	42	48
	(iii) Other countries (33aiii)	9	9	15	21	27	38
	(d) Other expenditure abroad (33b).....	43	60	70	78	87	92
9	Personal Saving ² (48).....	645	1,390	1,525	1,588	965	1,312
10	Total	13,414	15,693	17,214	18,132	18,222	19,683

1. See footnote 2, Table 12.

2. This series includes changes in farm inventories. See Table 5.

TABLE 8. Government Revenue and Expenditure Account, 1950-1955¹

Revenue

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
11	Direct Taxes — Persons:						
	(a) Income taxes (7a)	612	890	1,177	1,287	1,296	1,296
	(b) Succession duties (7b)	66	69	73	73	78	120
	(c) Miscellaneous (7c)	62	71	73	72	60	67
12	Direct Taxes — Corporations:						
	(a) Income Taxes (45c)	981	1,429	1,378	1,216	1,114	1,285
13	Withholding Taxes (45d)	54	56	55	54	58	67
14	Indirect Taxes (28a)	2,081	2,606	2,814	3,017	3,029	3,288
15	Investment Income:						
	(a) Interest (45f)	155	181	215	206	233	232
	(b) Profits of government business enterprises (45e)	245	275	317	359	357	405
16	Employer and employee contributions to social insurance and government pension funds (1d)	256	329	358	390	396	420
17	Deficit (+) or Surplus (-) (on transactions relating to the National Accounts) ² (50)	- 648	- 1,053	- 288	- 223	49	- 109
18	Total³	3,864	4,853	6,172	6,451	6,670	7,071

1. See also Table 33.

2. For a reconciliation of the federal content of this consolidated surplus (or deficit) with the conventional federal budgetary surplus (or deficit), see Table 53.

3. It will be noted that in addition to total revenue, this item includes the government deficit or surplus. Inter-governmental transfers are not included in this total, since in the consolidation of the government sector such transactions cancel out.

TABLE 9. Government Revenue and Expenditure Account, 1950-1955¹

Expenditure

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
19	Purchase of Goods and Services ² :						
	(a) From business (23b)	1,150	1,846	2,601	2,581	2,397	2,540
	(b) Direct services:						
	(i) Wages and salaries (1b)	933	1,093	1,261	1,377	1,524	1,665
	(ii) Military pay and allowances (2)	137	201	270	309	367	394
	(iii) Interest (42a)	106	103	113	121	130	139
20	Transfer Payments:						
	(a) Interest (42b)	442	450	467	489	536	529
	(b) Other (5a)	1,033	1,032	1,360	1,464	1,630	1,725
21	Subsidies (28b)	63	128*	100	110	86	79
22	Total³	3,864	4,853	6,172	6,451	6,670	7,071

1. See also Table 34.

2. See line 2, Table 2.

* Includes \$65 million payment to farmers on account of the United Kingdom Wheat Agreement.

3. Inter-governmental transfers are not included in this total, since in the consolidation of the government sector such transactions cancel out.

TABLE 10. Business Operating Account, 1950-1955
Revenue

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
23	Sales to Residents:						
	(a) Persons (8a).....	11,544	12,681	13,675	14,355	14,997	15,982
	(b) Governments ¹ (19a).....	1,150	1,846	2,601	2,581	2,397	2,540
	(c) Business on capital account ² :						
	(i) New residential construction (53a).....	801	781	786	1,061	1,166	1,476
	(ii) New non-residential construction (53b).....	1,026	1,260	1,554	1,706	1,659	1,775
	(iii) New machinery and equipment (53c).....	1,389	1,769	1,916	2,073	1,841	2,017
	(iv) Change in inventories (53d).....	960	1,620	310	591	- 270	508
24	Sales to Non-Residents:						
	(a) U.S.A. (37ai).....	2,796	3,089	3,151	3,301	3,195	3,569
	(b) U.K. and other Sterling Area ³ (37aii).....	797	1,071	1,197	1,063	1,016	1,214
	(c) Other countries (37aiii).....	499	814	1,080	871	789	810
25	Residual Error of Estimate.....	2	52	- 95	- 15	107	44
26	Total	20,964	24,983	26,175	27,587	26,897	29,935

1. See footnote 2, Table 2.

2. See footnote 3, Table 2.

3. See footnote 2, Table 12.

TABLE 11. Business Operating Account, 1950-1955
Expenditure

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
27	Factor Costs:						
	(a) Wages, salaries and supplementary labour income (1a).....	7,162	8,371	9,327	10,024	10,120	10,780
	(b) Net income received by farm operators from farm production ¹ (3a).....	1,402	2,108	1,882	1,657	1,151	1,382
	(c) Net income of non-farm unincorporated business (3b)....	1,444	1,507	1,574	1,675	1,646	1,775
	(d) Adjustment on grain transactions ² (49d).....	101	- 36	- 31	- 5	- 4	22
	(e) Corporation profits (excluding interest and dividends from non-residents) ³ (40).....	2,476	2,781	2,621	2,499	2,289	2,816
	(f) Other investment income (excluding interest on the public debt) (41).....	957	1,093	1,297	1,401	1,511	1,717
28	Other Costs:						
	(a) Indirect taxes (14).....	2,081	2,606	2,814	3,017	3,029	3,288
	(b) Less subsidies (21).....	- 63	- 128*	- 100	- 110	- 86	- 79
	(c) Depreciation allowances and similar business costs (49b)....	1,636	1,910	2,120	2,418	2,673	2,865
29	Purchases from Non-Residents:						
	(a) U.S.A. (32ai).....	2,612	3,428	3,385	3,607	3,347	3,874
	(b) U.K. and other Sterling Area ⁴ (32aii).....	727	822	645	793	688	753
	(c) Other countries (32aiii).....	430	573	546	596	640	785
30	Residual Error of Estimate.....	- 1	- 52	95	15	- 107	- 43
31	Total	20,964	24,983	26,175	27,587	26,897	29,935

1. See footnote 1, Table 6.

2. This item includes the undistributed earnings of the Canadian Wheat Board, and an inventory valuation adjustment for grain in Wheat Board channels, on a calendar year basis. See footnote 4, Table 52.

3. For total corporation profits, see footnote 1, Table 14. See also Table 48.

4. See footnote 2, Table 12.

* Includes \$65 million payment to farmers on account of the United Kingdom Wheat Agreement.

TABLE 12. Non-Residents' Revenue and Expenditure Account, 1950-1955¹

Receipts from Canada
(Canadian Imports)

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
32	Receipts from Business:						
	(a) Other than interest and dividends:						
	(i) U.S.A. (29a).....	2,612	3,428	3,385	3,607	3,347	3,874
	(ii) U.K. and other Sterling Area ² (29b).....	727	822	645	793	688	753
	(iii) Other countries (29c).....	430	573	546	596	640	785
	(b) Interest and dividends:						
	(i) U.S.A. (46ai).....	354	321	281	268	282	336
	(ii) U.K. and other Sterling Area ² (46aii).....	49	52	52	53	58	60
	(iii) Other countries (46aii).....	8	9	11	11	14	18
33	Receipts from Persons:						
	(a) Tourist and Travel Expenditure:						
	(i) U.S.A. (8ci).....	193	246	294	307	320	363
	(ii) U.K. and other Sterling Area ² (8cii).....	24	25	32	37	42	48
	(iii) Other countries (8cii).....	9	9	15	21	27	38
	(b) All other receipts (all countries) (8d).....	43	60	70	78	87	92
34	Receipts from Government:						
	Interest:						
	(a) U.S.A. (46bi).....	57	61	63	66	63	57
	(b) U.K. and other Sterling Area ² (46bii).....	5	5	4	4	4	4
	(c) Other countries (46bii).....	2	2	2	2	2	2
35	Net Debit (+) or Credit (-) on Current Account:						
	(a) U.S.A. (54a).....	- 384	- 928	- 810	- 871	- 774	-1,008
	(b) U.K. and other Sterling Area ² (54b).....	- 1	193	492	207	264	394
	(c) Other countries (54c).....	55	211	491	221	83	- 63
36	Total	4,183	5,089	5,573	5,400	5,147	5,753

1. These figures differ from those shown in reports on "The Canadian Balance of International Payments", Dominion Bureau of Statistics, because adjustments have been made to the figures of receipts and payments to achieve consistency with other component series. See Table 55.

2. Since 1940. Prior to 1940 (See "National Accounts, Income and Expenditure, 1926-1950") read "U.K. and other Commonwealth".

TABLE 13. Non-Residents' Revenue and Expenditure Account, 1950-1955¹

Payments to Canada
(Canadian Exports)

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
37	Payments to Business:						
	(a) Payments other than interest and dividends:						
	(i) U.S.A. (24a).....	2,796	3,089	3,151	3,301	3,195	3,569
	(ii) U.K. and other Sterling Area ² (24b).....	797	1,071	1,197	1,063	1,016	1,214
	(iii) Other countries (24c).....	499	814	1,080	871	789	810
	(b) Interest and dividends (all countries) (43a).....	30	29	49	71	61	74
38	Payments to Other Sectors:						
	Interest and dividends (all countries) (43b).....	61	86	96	94	86	86
39	Total	4,183	5,089	5,573	5,400	5,147	5,753

1. See footnote 1 to Table 12.

2. See footnote 2 to Table 12.

TABLE 14. Investment Income Appropriation Account, 1950-1955
Source

No.		1950	1951	1952	1953	1954	1955
(millions of dollars)							
40	Corporation Profits ¹ (excluding interest and dividends from non-residents) (27e)	2,476	2,781	2,621	2,499	2,289	2,816
41	Other investment income (excluding interest on the public debt) (27f).....	957	1,093	1,297	1,401	1,511	1,717
42	Interest on the Public Debt:						
	(a) Portion included in national income (19biii).....	106	103	113	121	130	139
	(b) Transfer portion (20a).....	442	450	467	489	536	529
43	Interest and Dividends from Non-Residents received by:						
	(a) Corporations (37b).....	30	29	49	71	61	74
	(b) Other Sectors (38)	61	86	96	94	86	86
44	Total	4,072	4,542	4,643	4,675	4,613	5,361

1. To obtain total corporation profits, add items 40 and 43(a). See also Table 48.

TABLE 15. Investment Income Appropriation Account, 1950-1955
Disposition

No.		1950	1951	1952	1953	1954	1955
(millions of dollars)							
45	To Canadian Residents:						
	(a) Interest, dividends and net rental income of persons (4)	1,295	1,406	1,566	1,649	1,779	1,960
	(b) Charitable contributions from corporations (5b).....	25	27	27	28	25	31
	(c) Corporation income taxes (12a).....	981	1,429	1,378	1,216	1,114	1,285
	(d) Withholding taxes (13)	54	56	55	54	58	67
	(e) Profits of government business enterprises (15b)	245	275	317	359	357	405
	(f) Government interest revenue (15a).....	155	181	215	206	233	232
	(g) Undistributed corporation profits (49a)	844	721	667	754	624	905
	(h) Inventory valuation adjustment (n.e.i.) ¹ (49e)	- 2	- 3	5	5	—	- 1
46	To Non-Residents, Interest and Dividends received from:						
	(a) Business:						
	(i) U.S.A. (32bi)	354	321	281	268	282	336
	(ii) U.K. and other Sterling Area ² (32bii).....	49	52	52	53	58	60
	(iii) Other countries (32biii)	8	9	11	11	14	18
	(b) Government:						
	(i) U.S.A. (34a).....	57	61	63	66	63	57
	(ii) U.K. and other Sterling Area ² (34b).....	5	5	4	4	4	4
	(iii) Other countries (34c)	2	2	2	2	2	2
47	Total	4,072	4,542	4,643	4,675	4,613	5,361

1. This adjustment applies only to grain in commercial channels other than the Canadian Wheat Board. An inventory valuation adjustment for grain held by this agency is included with "adjustment on grain transactions" (see item 27d, Table 11).

2. See footnote 2, Table 12.

TABLE 16. National Saving and Investment Account, 1950-1955
Saving

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
48	Personal Saving (9).....	645	1,390	1,525	1,588	965	1,312
49	Gross Business Saving:						
	(a) Undistributed corporation profits (45g).....	844	721	667	754	624	905
	(b) Depreciation allowances and similar business costs (28c).....	1,636	1,910	2,120	2,418	2,673	2,865
	(c) Net bad debt losses of corporation ¹ (5c).....	- 23	- 25	- 25	- 25	- 26	- 26
	(d) Adjustment on grain transactions (27d).....	101	- 36	- 31	- 5	- 4	22
	(e) Inventory valuation adjustment (n.e.i.) ² (45h).....	- 2	- 3	5	5	-	- 1
50	Government Surplus (+) or Deficit (-) (17).....	648	1,053	288	223	- 49	109
51	Residual Error of Estimate	- 1	- 52	95	15	- 107	- 43
52	Total	3,848	4,958	4,644	4,973	4,076	5,143

1. Since these are included in both personal saving (item 48) and depreciation allowances and similar business costs (49b), they are deducted here to avoid double counting.

2. Portion not included in "adjustment on grain transactions" (see footnote 1, Table 15).

TABLE 17. National Saving and Investment Account, 1950-1955
Investment

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
53	Gross Domestic Investment ¹ :						
	(a) New residential construction (23ci)	801	781	786	1,061	1,166	1,476
	(b) New non-residential construction (23cii).....	1,026	1,260	1,554	1,706	1,659	1,775
	(c) New machinery and equipment (23ciii).....	1,389	1,769	1,916	2,073	1,841	2,017
	(d) Change in inventories (23civ)	960	1,620	310	591	- 270	508
54	Net Foreign Investment ² :						
	(a) U.S.A. (35a)	- 384	- 928	- 810	- 871	- 774	- 1,008
	(b) U.K. and other Sterling Area ³ (35b)	- 1	193	492	207	264	394
	(c) Other countries (35c).....	55	211	491	221	83	- 63
55	Residual Error of Estimate.....	2	52	- 95	- 15	107	44
56	Total	3,848	4,958	4,644	4,973	4,076	5,143

1. See footnote 3, Table 2. For reconciliation with "private and public investment" figures published by the Department of Trade and Commerce, see Table 54.

2. See footnote 1, Table 12.

3. See footnote 2, Table 12.

TABLE 18. Sector Accounts Consolidation, 1950-1955
National Income and Gross National Product

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Income Originating In:						
	Personal Sector:						
1	Wages, salaries and supplementary labour income.....	216	252	280	314	350	365
2	Business Sector.....	13,542	15,824	16,670	17,251	16,713	18,492
3	Wages, salaries and supplementary labour income.....	7,162	8,371	9,327	10,024	10,120	10,780
4	Net income received by farm operators from farm pro- duction.....	1,402	2,108	1,882	1,657	1,151	1,382
5	Adjustment on grain transactions	101	- 36	- 31	- 5	- 4	22
6	Net income of non-farm unincorporated business	1,444	1,507	1,574	1,675	1,646	1,775
7	Corporation profits (excluding interest and dividends from non-residents).....	2,476	2,781	2,621	2,499	2,289	2,816
8	Other investment income (excluding interest on the public debt).....	957	1,093	1,297	1,401	1,511	1,717
9	Government Sector.....	1,176	1,397	1,644	1,807	2,021	2,198
10	Wages, salaries and supplementary labour income.....	933	1,093	1,261	1,377	1,524	1,665
11	Military pay and allowances.....	137	201	270	309	367	394
12	Portion of interest on the public debt included in National Income.....	106	103	113	121	130	139
13	Non-residents' Sector	- 384	- 335	- 268	- 239	- 276	- 317
	Interest and Dividends paid by all countries:						
14	(a) To Canadian corporations.....	30	29	49	71	61	74
15	(b) To other Canadian sectors.....	61	86	96	94	86	86
	Less interest and dividends received by all countries:						
16	(a) From Canadian business.....	- 411	- 382	- 344	- 332	- 354	- 414
17	(b) From Canadian governments.....	- 64	- 68	- 69	- 72	- 69	- 63
18	Net National Income at Factor Cost.....	14,550	17,138	18,326	19,133	18,808	20,738
19	Depreciation allowances and similar business costs.....	1,636	1,910	2,120	2,418	2,673	2,865
20	Indirect taxes.....	2,081	2,606	2,814	3,017	3,029	3,288
21	Less subsidies.....	- 63	- 128	- 100	- 110	- 86	- 79
22	Residual Error of Estimate.....	- 1	- 52	95	15	- 107	- 43
23	Gross National Product at Market Prices.....	18,203	21,474	23,255	24,473	24,317	26,769

TABLE 19. Sector Accounts Consolidation, 1950-1955
Gross National Expenditure

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Personal Expenditure on Consumer Goods and Services	12,029	13,273	14,366	15,112	15,823	16,888
2	Purchases from business	11,544	12,681	13,675	14,355	14,997	15,982
3	Purchases of direct services	216	252	280	314	350	365
4	Purchases from non-residents	269	340	411	443	476	541
5	Government Expenditure on Goods and Services	2,326	3,243	4,245	4,388	4,418	4,738
6	Purchases from business	1,150	1,846	2,601	2,581	2,397	2,540
7	Wages and salaries	933	1,093	1,261	1,377	1,524	1,665
8	Military pay and allowances	137	201	270	309	367	394
9	Interest	106	103	113	121	130	139
10	Gross Domestic Investment	4,176	5,430	4,566	5,431	4,396	5,776
11	New residential construction	801	781	786	1,061	1,166	1,476
12	New non-residential construction	1,026	1,260	1,554	1,706	1,659	1,775
13	New machinery and equipment	1,389	1,769	1,916	2,073	1,841	2,017
14	Change in inventories	960	1,620	310	591	- 270	508
15	Exports of Goods and Services	4,183	5,089	5,573	5,400	5,147	5,753
16	Payments to Canadian business	4,122	5,003	5,477	5,306	5,061	5,667
17	Payments to Other Sectors	61	86	96	94	86	86
18	Imports of Goods and Services	-4,513	-5,613	-5,400	-5,843	-5,574	-6,430
19	Receipts from Canadian business	-4,180	-5,205	-4,920	-5,328	-5,029	-5,826
20	Receipts from persons	- 269	- 340	- 411	- 443	- 476	- 541
21	Receipts from government	- 64	- 68	- 69	- 72	- 69	- 63
22	Residual Error of Estimate	2	52	- 95	- 15	107	44
23	Gross National Expenditure at Market Prices	18,203	21,474	23,255	24,473	24,317	26,769

Section 2
INDUSTRIAL DISTRIBUTION OF
NATIONAL INCOME AND OTHER AGGREGATES

TABLE 20. National Income, by Industry¹, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Business:						
1	Agriculture	1,709	2,296	2,095	1,886	1,368	1,627
2	Forestry	257	378	361	361	366	398
3	Fishing and Trapping	78	92	67	60	60	64
4	Mining, Quarrying and Oilwells	570	690	662	617	644	792
5	Manufacturing	4,471	5,158	5,396	5,692	5,426	5,957
6	Construction	809	856	1,025	1,234	1,235	1,444
7	Transportation	1,489	1,126	1,205	1,247	1,178	1,293
8	Storage		38	47	54	51	59
9	Communication		276	317	342	362	397
10	Public Utility Operation		303	386	427	446	468
	Trade:						
11	Wholesale	762	863	920	915	913	997
12	Retail	1,401	1,531	1,658	1,713	1,717	1,851
13	Finance, Insurance and Real Estate	1,026	1,180	1,389	1,488	1,682	1,826
14	Service ²	1,186	1,289	1,422	1,529	1,615	1,684
15	Government³	1,176	1,397	1,644	1,807	2,021	2,198
16	Non-Residents	-384	-335	-268	-239	-276	-317
17	Total	14,550	17,138	18,326	19,133	18,808	20,738

1. For difference between this classification and the Standard Industrial Classification, see "National Accounts, Income and Expenditure, 1926-1950", page 120.

2. Includes income originating in the personal sector, see Table 18.

3. Includes government non-business transactions only. Income originating in government business enterprises is included in the appropriate industrial groups within the business sector.

TABLE 21. Wages, Salaries and Supplementary Labour Income, by Industry, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Business:						
1	Agriculture	157	171	188	175	160	158
2	Forestry	220	342	333	317	313	340
3	Fishing and Trapping	14	15	14	13	15	13
4	Mining, Quarrying and Oilwells	298	356	410	407	415	447
5	Manufacturing	2,854	3,378	3,749	4,071	4,001	4,224
6	Construction	581	639	768	865	842	957
7	Transportation	1,084	884	973	1,048	1,026	1,066
8	Storage		26	30	33	35	36
9	Communication		215	238	262	297	320
10	Public Utility Operation		130	185	201	210	228
	Trade:						
11	Wholesale	456	529	600	642	676	725
12	Retail	751	855	930	1,009	1,073	1,133
13	Finance, Insurance and Real Estate	318	366	402	431	471	504
14	Service ¹	645	717	787	864	936	994
15	Government²	1,070	1,294	1,531	1,686	1,891	2,059
16	Total	8,448	9,917	11,138	12,024	12,361	13,204

1. Includes income originating in the personal sector, See Table 18.

2. Includes military pay and allowances; see also footnote 3, Table 20.

TABLE 22. Corporation Profits before Taxes, by Industry, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Business:						
	Agriculture						
1	Forestry	19	20	7	7	12	..
	Fishing and Trapping						
2	Mining, Quarrying and Oilwells	265	325	244	196	208	325
3	Manufacturing	1,404	1,561	1,410	1,395	1,196	1,515
4	Construction	52	46	66	97	90	..
5	Transportation		132	132	105	81	
6	Storage	169	9	13	19	14	185
7	Communication		44	59	62	42	
8	Public Utility Operation		43	52	54	50	55
	Trade:						
9	Wholesale	223	254	236	184	156	195
10	Retail	186	172	184	156	149	188
11	Finance, Insurance and Real Estate	151	163	212	237	301	257
12	Service	37	41	55	58	51	48
13	Total Corporation Profits Before Taxes	2,506	2,810	2,670	2,570	2,350	2,890
14	Non-Residents¹	-404	-370	-334	-317	-327	-389
15	Total	2,102	2,440	2,336	2,253	2,023	2,501

1. Dividends paid to non-residents. See Table 48.

.. Detail not given pending further research.

TABLE 23. Investment Income Excluding Corporation Profits, by Industry¹, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Business:						
	Agriculture						
1	Forestry	46	52	57	66	76	..
	Fishing and Trapping						
2	Mining, Quarrying and Oilwells						
3	Manufacturing	22	44	57	55	68	61
4	Construction	5	7	8	8	11	..
5	Transportation		52	46	42	26	
6	Storage	186	3	4	2	2	96
7	Communication		17	20	18	23	
	Public Utility Operation		130	149	172	186	185
	Trade:						
8	Wholesale	14	17	27	33	35	31
9	Retail	121	126	137	140	143	148
10	Finance, Insurance and Real Estate	516	598	724	771	854	1,005
11	Service	17	18	19	23	26	27
12	Government²	106	103	113	121	130	139
13	Non-Residents³	20	35	66	78	51	72
14	Total	1,053	1,202	1,427	1,529	1,631	1,854

1. This is a heterogeneous aggregate including items such as interest, net rents, and trading profits of government business enterprises.

2. See also footnote 3 Table 20.

3. Includes interest paid to non-residents, reduced by interest and dividends received from non-residents.

.. Detail not given pending further research.

TABLE 24. Net Income of Unincorporated Business, by Industry, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Business:						
1	Agriculture.....	1,503	2,072	1,851	1,652	1,147	1,404
2	Forestry	21	19	21	37	40	37
3	Fishing and Trapping.....	63	76	53	47	45	51
4	Mining, Quarrying and Oilwells	8	8	7	7	7	7
5	Manufacturing	191	175	180	171	161	157
6	Construction	171	164	183	264	292	374
7	Transportation.....	50	58	54	52	45	46
8	Storage	—	—	—	—	—	—
9	Communication	—	—	—	—	—	—
10	Public Utility Operation	—	—	—	—	—	—
	Trade:						
11	Wholesale.....	69	63	57	56	46	46
12	Retail	343	378	407	408	352	382
13	Finance, Insurance and Real Estate	41	53	51	49	56	60
14	Service	487	513	561	584	602	615
15	Total.....	2,917	3,579	3,425	3,327	2,793	3,179

TABLE 25. Gross Domestic Investment (Excluding Inventories), by Industry¹, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Agriculture.....	473	515	555	546	388	424
	Fishing and Trapping.....						
2	Forestry	34	58	39	34	46	62
3	Mining, Quarrying and Oil Wells.....	119	181	211	257	278	301
4	Manufacturing	502	793	973	969	822	939
5	Construction	71	66	73	91	97	107
6	Transportation.....	718	305	430	490	444	357
7	Storage						
8	Communication ²						
9	Public Utility Operation		466	582	546	482	468
10	Trade	234	235	197	330	368	350
11	Finance, Insurance and Real Estate ³	861	850	837	1,139	1,273	1,578
12	Service ⁴	204	214	215	268	275	322
13	Adjustment (not allocated) ⁵	—	—	—	—	—	150
14	Total.....	3,216	3,810	4,256	4,840	4,666	5,268

1. This table is derived from "Private and Public Investment in Canada, Outlook 1956" and similar reports for prior years (Department of Trade and Commerce). Additional detail has been provided by the D.B.S. General Assignments Division, and adjustments have been made to bring the data into line with National Accounting concepts. See reconciliation statement, Table 54.

2. Excludes investment expenditures by the Canadian Broadcasting Corporation, which are included in "Government Expenditure on Goods and Services".

3. Includes all new residential construction, (exclusive of government other than government business enterprises). See Table 2, Line 3.

4. Excludes government departmental expenditures, provincial hospital and school, and municipal school expenditures, which are included with "Government Expenditure on Goods and Services". Investment expenditures of government business enterprises (railways, power commissions, etc.) are included under appropriate industry headings.

5. The 1955 total has been revised upward from that shown in "Private and Public Investment in Canada, Outlook 1956" to take account of later available information. The entire adjustment is in the non-government machinery and equipment item.

TABLE 26. Investment in Inventories, by Industry, 1950-1955¹

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Agriculture ²	131	354	237	50	- 115	211
2	Forestry	12	61	- 44	- 6	- 3	7
3	Fishing and Trapping	-	-	-	-	-	-
4	Mining, Quarrying and Oil Wells	5	14	8	5	12	11
5	Manufacturing.....	329	723	- 31	211	- 173	166
6	Construction.....	34	53	18	3	5	10
7	Transportation, Storage and Communication.....	10	28	22	13	- 20	- 23
8	Public Utility Operation.....	- 7	14	6	- 5	- 7	1
	Trade:						
9	Grain in Commercial Channels ²	60	- 1	91	146	- 15	- 20
10	Wholesale (excluding grain in commercial channels).....	183	237	29	55	- 1	62
11	Retail	198	120	- 26	114	49	79
12	Finance, Insurance and Real Estate	1	1	-	5	- 2	4
13	Service	4	16	-			
14	Total	960	1,620	310	591	- 270	508

1. Excludes government inventories, other than those held by government business enterprises.

2. Data shown represent "value of physical change". For other industries, data shown are "change in book value"

Section 3
GEOGRAPHICAL DISTRIBUTION OF PERSONAL INCOME

TABLE 27. Personal Income, Geographical Distribution, 1950-1955¹

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Newfoundland	178	206	229	252	261	275
2	Prince Edward Island	54	60	71	66	67	71
3	Nova Scotia.....	466	503	564	594	617	648
4	New Brunswick.....	329	376	408	415	438	462
5	Quebec.....	3,295	3,772	4,153	4,469	4,638	4,963
6	Ontario.....	5,303	6,083	6,729	7,172	7,379	7,881
7	Manitoba	758	870	913	920	904	983
8	Saskatchewan	743	1,084	1,184	1,112	774	1,020
9	Alberta.....	921	1,179	1,253	1,278	1,215	1,326
10	British Columbia ²	1,338	1,518	1,663	1,805	1,879	2,006
11	Foreign Countries ³	6	17	22	24	24	22
12	Personal Bad Debts (not distributed by Province)	23	25	25	25	26	26
13	Canada.....	13,414	15,693	17,214	18,132	18,222	19,683

1. Geographical distributions of the main components only of personal income are given in Tables 29 to 32 inclusive; these tables, therefore, do not add to the total of personal income.

2. Includes Yukon and North West Territories. In 1953 personal income of the Yukon and North West Territories was approximately \$18 million.

3. Includes receipts of income of Canadians temporarily abroad, including pay and allowances of Canadian armed forces abroad.

TABLE 28. Personal Income Per Capita, Geographical Distribution, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(dollars)					
1	Newfoundland	507	571	612	658	656	667
2	Prince Edward Island	563	612	689	623	638	657
3	Nova Scotia.....	730	782	864	896	917	949
4	New Brunswick.....	643	729	776	774	801	828
5	Quebec.....	830	930	995	1,047	1,057	1,098
6	Ontario.....	1,186	1,323	1,412	1,465	1,462	1,521
7	Manitoba	987	1,121	1,144	1,137	1,092	1,158
8	Saskatchewan	892	1,303	1,405	1,292	882	1,147
9	Alberta.....	1,009	1,256	1,292	1,275	1,169	1,244
10	British Columbia ¹	1,152	1,276	1,360	1,438	1,453	1,505
11	Canada.....	978	1,120	1,193	1,227	1,199	1,262

1. Includes Yukon and Northwest Territories.

TABLE 29. Wages, Salaries and Supplementary Labour Income, Geographical Distribution, 1950-1955¹

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Newfoundland	109	131	152	169	172	179
2	Prince Edward Island	21	23	26	27	28	30
3	Nova Scotia.....	283	328	363	377	385	404
4	New Brunswick.....	197	239	257	265	273	294
5	Quebec.....	2,162	2,541	2,834	3,043	3,113	3,341
6	Ontario.....	3,507	4,090	4,585	4,950	5,044	5,378
7	Manitoba	412	477	522	562	571	604
8	Saskatchewan	276	311	349	386	406	429
9	Alberta.....	460	534	608	674	704	762
10	British Columbia ²	880	1,038	1,167	1,257	1,292	1,383
11	Foreign Countries	4	4	5	5	6	6
12	Canada.....	8,311	9,716	10,868	11,715	11,994	12,810

1. Excludes military pay and allowances.

2. Includes Yukon and North West Territories.

TABLE 30. Net Income Received by Farm Operators From Farm Production and Net Income of Non-Farm Unincorporated Business, Geographical Distribution, 1950-1955¹

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Newfoundland	36	39	36	36	37	39
2	Prince Edward Island	20	24	29	22	22	24
3	Nova Scotia.....	86	86	86	90	92	98
4	New Brunswick.....	68	72	76	69	74	73
5	Quebec.....	580	682	645	671	667	712
6	Ontario.....	990	1,110	1,032	1,053	1,003	1,086
7	Manitoba	215	272	246	212	170	194
8	Saskatchewan	327	619	642	553	219	386
9	Alberta.....	316	481	458	405	296	319
10	British Columbia ²	208	230	206	221	217	226
11	Foreign Countries	—	—	—	—	—	—
12	Canada.....	2,846	3,615	3,456	3,332	2,797	3,157

1. This item differs from the total of lines 4 and 5, Table 1, in that it excludes undistributed earnings (and the inventory valuation adjustment) of the Canadian Wheat Board, on a calendar year basis.

2. Includes Yukon and North West Territories.

TABLE 31. Interest, Dividends and Net Rental Income of Persons, Geographical Distribution, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Newfoundland.....	13	13	14	15	17	18
2	Prince Edward Island.....	5	5	5	5	5	5
3	Nova Scotia.....	42	37	40	46	50	54
4	New Brunswick.....	29	29	29	31	36	38
5	Quebec.....	308	329	377	416	452	491
6	Ontario.....	541	592	660	704	783	854
7	Manitoba.....	71	71	76	75	82	89
8	Saskatchewan.....	74	92	115	92	63	90
9	Alberta.....	77	96	103	105	105	118
10	British Columbia ¹	135	142	147	160	186	203
11	Foreign Countries.....	—	—	—	—	—	—
12	Canada.....	1,295	1,406	1,566	1,649	1,779	1,960

1. Includes Yukon and North West Territories.

TABLE 32. Government Transfer Payments, Excluding Interest, Geographical Distribution, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Newfoundland.....	22	27	30	35	38	41
2	Prince Edward Island.....	7	7	10	10	10	11
3	Nova Scotia.....	49	48	63	65	68	69
4	New Brunswick.....	39	40	51	53	58	57
5	Quebec.....	285	274	346	389	443	457
6	Ontario.....	293	309	444	464	524	538
7	Manitoba.....	65	54	72	73	78	90
8	Saskatchewan.....	70	68	84	87	93	123
9	Alberta.....	72	72	87	96	108	121
10	British Columbia ¹	130	131	171	191	209	217
11	Foreign Countries.....	1	2	2	1	1	1
12	Canada.....	1,033	1,032	1,360	1,464	1,630	1,725

1. Includes Yukon and North West Territories.

Section 4
GOVERNMENT SUPPLEMENTARY TABLES

TABLE 33. Government Revenue and Expenditure, by Level of Government, 1950-1955¹
Revenue

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Direct Taxes—Persons	740	1,030	1,323	1,432	1,434	1,483
2	Federal	654	931	1,223	1,329	1,319	1,325
3	Provincial and Municipal	86	99	100	103	115	158
4	Direct Taxes—Corporations	981	1,429	1,378	1,216	1,114	1,285
5	Federal	835	1,240	1,269	1,140	1,050	1,220
6	Provincial	146	189	109	76	64	65
	Withholding Taxes:						
7	Federal	54	56	55	54	58	67
8	Indirect Taxes	2,081	2,606	2,814	3,017	3,029	3,288
9	Federal	1,115	1,495	1,595	1,697	1,612	1,744
10	Provincial and Municipal	966	1,111	1,219	1,320	1,417	1,544
11	Investment Income.....	400	456	532	565	590	637
12	Federal	134	167	217	216	217	254
13	Provincial and Municipal	266	289	315	349	373	383
14	Employer and Employee Contributions to Social Insurance and Pension Funds	256	329	358	390	396	420
15	Federal	159	214	230	250	261	282
16	Provincial and Municipal	97	115	128	140	135	138
	Transfers from Other Governments:						
17	Provincial and Municipal	251	259	368	412	430	450
18	Total Revenue	4,763	6,165	6,828	7,086	7,051	7,630
19	Federal	2,951	4,103	4,589	4,686	4,517	4,892
20	Provincial and Municipal	1,812	2,062	2,239	2,400	2,534	2,738
21	Deficit (+) or Surplus (-)	- 648	- 1,053	- 288	- 223	+ 49	- 109
22	Federal ²	- 640	- 1,042	- 256	- 143	+ 66	- 173
23	Provincial and Municipal	- 8	- 11	- 32	- 80	- 17	+ 64
24	Total Revenue plus Deficit (or minus Surplus).....	4,115	5,112	6,540	6,863	7,100	7,521
25	Federal	2,311	3,061	4,333	4,543	4,583	4,719
26	Provincial and Municipal	1,804	2,051	2,207	2,320	2,517	2,802

1. For total government revenue and expenditure excluding inter-governmental transfers, see Tables 8 and 9.
2. For the difference between this item and the conventional budgetary surplus, see reconciliation, Table 53.

TABLE 34. Government Revenue and Expenditure, by Level of Government, 1950-1955¹
Expenditure

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Goods and Services	2,326	3,243	4,245	4,388	4,418	4,738
2	Federal ²	980	1,694	2,469	2,538	2,424	2,498
3	Provincial and Municipal.....	1,346	1,549	1,776	1,850	1,994	2,240
4	Transfer Payments	1,475	1,482	1,827	1,953	2,166	2,254
5	Federal.....	1,020	984	1,400	1,487	1,645	1,696
6	Provincial and Municipal.....	455	498	427	466	521	558
7	Subsidies	63	128	100	110	86	79
8	Federal.....	60	124	96	106	84	75
9	Provincial and Municipal.....	3	4	4	4	2	4
	Transfers to Other Governments:						
10	Federal.....	251	259	368	412	430	450
11	Total Expenditure	4,115	5,112	6,540	6,863	7,100	7,521
12	Federal.....	2,311	3,061	4,333	4,543	4,583	4,719
13	Provincial and Municipal.....	1,804	2,051	2,207	2,320	2,517	2,802

1. For total government revenue and expenditure excluding inter-governmental transfers, see Tables 8 and 9.

2. Includes defence expenditure of \$493 million in 1950; \$1,157 million in 1951; \$1,800 million in 1952; \$1,907 million in 1953; \$1,727 million in 1954 and \$1,756 million in 1955.

TABLE 35. Direct Taxes — Persons, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Income.....	612	890	1,177	1,287	1,277	1,269
2	Succession Duties.....	35	35	39	40	41	55
3	Miscellaneous.....	7	6	7	2	1	1
4	Total	654	931	1,223	1,329	1,319	1,325
	Provincial and Municipal:						
5	Income.....	—	—	—	—	19	27
6	Motor Vehicle Licences and Permits ¹	24	28	29	31	32	37
7	Succession Duties.....	31	34	34	33	37	65
8	Hospital (Saskatchewan and B.C.).....	18	21	21	20	6	9
9	Miscellaneous.....	13	16	16	19	21	20
10	Total	86	99	100	103	115	158
11	Grand Total	740	1,030	1,323	1,432	1,434	1,483

1. Personal share only. The business share is treated as an indirect tax.

TABLE 36. Direct Taxes — Corporations, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Income	835	1,240	1,269	1,140	1,050	1,220
	Provincial:						
	Income:						
2	Provinces under Taxation Agreements	28	39	25	—	—	—
3	Provinces not under Taxation Agreements (excluding mining tax).....	111	139	73	64	53	54
4	Tax on Mining Profits (Ont., P.Q., B.C.)	7	11	11	12	11	11
5	Total	146	189	109	76	64	65
6	Grand Total	981	1,429	1,378	1,216	1,114	1,285

TABLE 37. Indirect Taxes, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Insurance companies	4	4	5	13	14	14
2	Customs import duties.....	257	355	369	416	387	452
3	Excise duties	226	233	245	228	225	242
4	Excise taxes.....	620	889	960	1,023	974	1,028
5	Miscellaneous.....	8	14	16	17	12	8
6	Total	1,115	1,495	1,595	1,697	1,612	1,744
	Provincial and Municipal:						
7	Amusement	21	22	24	26	25	24
8	Corporation tax (not on profits)	23	25	20	16	18	17
9	Gasoline	156	179	191	216	233	259
10	Licences, fees and permits	39	35	37	40	43	45
11	Motor vehicle licences and permits ¹	42	45	49	51	56	60
12	Public domain.....	78	84	90	83	83	102
13	Real and personal property	406	476	544	588	633	676
14	Retail sales tax (incl. liquor and tobacco)	112	130	140	158	176	197
15	Miscellaneous.....	89	115	124	142	150	164
16	Total	966	1,111	1,219	1,320	1,417	1,544
17	Grand Total	2,081	2,606	2,814	3,017	3,029	3,288

1. Business share only. The personal share is treated as a direct tax.

TABLE 38. Government Investment Income, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Interest on government-held public funds	27	33	51	56	63	68
2	Interest on loans, advances and investments	62	76	86	58	69	60
3	Profits (net of losses) of government business enterprises	45	58	80	102	85	126
4	Total	134	167	217	216	217	254
	Provincial and Municipal:						
5	Interest on government-held public funds	32	34	36	41	43	44
6	Interest on loans, advances and investments	34	38	42	51	58	60
7	Profits (net of losses) of government business enterprises	200	217	237	257	272	279
8	Total	266	289	315	349	373	383
9	Grand Total	400	456	532	565	590	637

TABLE 39. Employer and Employee Contributions to Social Insurance and Pension Funds 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Public service pensions.....	41	62	76	91	103	117
2	Unemployment insurance	118	152	154	159	158	165
3	Total	159	214	230	250	261	282
	Provincial and Municipal:						
4	Public service pensions.....	34	37	43	50	50	50
5	Workmen's compensation	54	66	72	76	71	72
6	Industrial employees' vacations	9	12	13	14	14	16
7	Total	97	115	128	140	135	138
8	Grand Total	256	329	358	390	396	420

TABLE 40. Government Expenditure on Goods and Services, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Wages, salaries and supplementary labour income	330	411	478	523	586	628
2	Military pay and allowances	137	201	270	309	367	394
3	Interest on public debt incurred to finance existing real assets	22	20	20	20	20	20
4	Changes in inventories of government commodity agencies	-19	-16	72	-24	-4	5
5	Other purchases of goods and services	510	1,078	1,629	1,710	1,455	1,451
6	Total ²	980	1,694	2,469	2,538	2,424	2,498
	Provincial and Municipal:						
7	Wages, salaries and supplementary labour income:						
8	Municipal school corporations	206	230	267	298	335	375
9	Other (excl. water works)	397	452	516	556	603	662
10	Interest on public debt incurred to finance existing real assets	84	83	93	101	110	119
11	Other purchases of goods and services	659	784	900	895	946	1,084
12	Total	1,346	1,549	1,776	1,850	1,994	2,240
12	Grand Total ³	2,326	3,243	4,245	4,388	4,418	4,738

1. Includes change in inventories of Agricultural Prices Support Board and Agricultural Products Board. Does not include change in inventories financed out of the Defence Production Revolving Fund, which is included with "other purchases of goods and services."

2. Defence expenditure included in this total is as follows: 1950, \$493 million; 1951, \$1,157 million; 1952, \$1,800 million; 1953, \$1,907 million; 1954, \$1,727 million; 1955, \$1,756 million.

3. Includes capital outlays by government as follows:

	1950	1951	1952	1953	1954	1955
	(millions of dollars)					
Federal	173	273	433	408	296	313
Provincial and Municipal	426	494	596	593	658	799
Total	599	767	1,029	1,001	954	1,112

(See also Table 54)

TABLE 41. Government Transfer Payments Including Interest, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Family Allowances	307	318	330	346	362	378
2	War Service Gratuities	—	—	3	3	1	—
3	Re-Establishment Credits	18	11	7	7	6	4
4	Rehabilitation Benefits	18	10	5	2	3	2
5	Pensions World Wars I and II ¹	87	84	115	115	117	119
6	War Veterans' Allowances	27	27	30	30	31	39
7	Unemployment Insurance Benefits	99	77	119	158	241	229
8	Prairie Farm Assistance Act.	14	10	5	2	2	33
9	Pensions to Government Employees	18	21	23	25	25	27
10	Interest on Debt not Incurred to Finance Existing Real Assets	405	407	421	441	484	474
11	Old Age Security Fund Payments	—	—	317	335	350	363
12	Miscellaneous	27	19	25	23	23	28
13	Total	1,020	984	1,400	1,487	1,645	1,696
	Provincial and Municipal:						
14	Direct Relief	29	28	26	25	29	34
15	Workmen's Compensation Benefits	41	45	53	57	58	58
16	Old Age Pensions	144	152	48	52	56	61
17	Mothers' and Dependents' Allowances	19	20	22	22	26	29
18	Pensions to Government Employees	17	19	21	23	25	27
19	Provincial and Municipal Grants to Private Non-Commercial Institutions	153	173	190	213	249	268
20	Interest on Debt not Incurred to Finance Existing Real Assets	37	43	46	48	52	55
21	Miscellaneous	15	18	21	26	26	26
22	Total	455	498	427	466	521	558
23	Grand Total	1,475	1,482	1,827	1,953	2,166	2,254

1. Excludes pensions paid to non-residents, which are treated as government expenditure on goods and services. In 1955, the amount excluded was \$12 million.

TABLE 42. Subsidies, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
	Department of Agriculture:						
1	Feed freight assistance, Western grain	15	16	19	18	19	16
2	Hog premiums	5	5	7	5	5	6
3	Agricultural Prices Support Board loss	4	2	32	38	3	6
4	Special payment to farmers, U.K. Wheat Agreement	—	65	—	—	—	—
5	Miscellaneous	6	4	3	1	6	2
6	Total Agriculture	30	92	61	62	33	30
	Other Federal Subsidies:						
7	Emergency Gold Mines Assistance Act	10	10	12	14	15	11
8	Maritime Freight Rates Act	8	10	10	11	11	11
9	Movement of coal	3	4	6	8	12	11
10	Canadian Wheat Board trading loss	2	—	—	—	—	—
11	Miscellaneous	7	8	7	11	13	12
12	Total Other	30	32	35	44	51	45
13	Total Federal Subsidies	60	124	96	106	84	75
14	Total Provincial Subsidies	3	4	4	4	2	4
15	Grand Total All Subsidies	63	128	100	110	86	79

TABLE 43. Transfers to Other Governments, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Federal:						
1	Old age and blind pensions	101	106	44	23	23	25
2	Subsidies to provinces	19	19	21	20	20	20
3	Taxation agreements ¹	82	86	244	308	330	329
4	Health grants to provinces	19	22	27	27	31	34
5	Miscellaneous	30	26	32	34	26	42
6	Total	251	259	368	412	430	450

1. An adjustment has been made to exclude provincial corporation taxes collected by the federal government (net of remittances to the provinces) from the figures.

Section 5
MISCELLANEOUS TABLES

TABLE 44. Personal Expenditure on Consumer Goods and Services, 1950-1955¹

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Food	3,039	3,488	3,669	3,747	3,905	4,077
2	Tobacco and Alcoholic Beverages.....	1,094	1,155	1,288	1,322	1,328	1,365
3	Clothing and Personal Furnishings	1,568	1,708	1,842	1,881	1,865	1,919
4	Shelter ²	1,376	1,560	1,738	1,916	2,113	2,302
5	Household Operation	1,504	1,590	1,809	1,894	1,991	2,189
6	Transportation.....	1,475	1,559	1,701	1,928	1,901	2,090
7	Personal and Medical Care and Death Expenses.....	730	813	910	985	1,065	1,115
8	Miscellaneous	1,243	1,400	1,409	1,439	1,655	1,831
9	Grand Total	12,029	13,273	14,366	15,112	15,823	16,888
10	Durable Goods ³	1,343	1,399	1,588	1,790	1,694	1,901
11	Non-Durable Goods.....	7,241	7,969	8,374	8,581	8,991	9,469
12	Services ⁴	3,445	3,905	4,404	4,741	5,138	5,518

1. For complete list of content of groups, see "National Accounts, Income and Expenditure, 1926-1950", page 123.

2. Excludes transient shelter.

3. Includes jewellery, watches, clocks, silverware, home furnishings, furniture, appliances and radios, and automobiles. Non-specified durable goods are included residually with non-durable goods.

4. Includes net expenditure abroad.

TABLE 45. Imputed Expenditure (or Income in Kind) included in Personal Expenditure, 1950-1955¹

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Food:						
1	Farm consumed farm produce	210	213	215	192	185	188
2	Other ²	62	90	87	83	83	84
	Shelter:						
3	Imputed Residential Rent	701	811	911	1,023	1,153	1,278
4	Imputed Lodging, Non-Residential ³	19	22	22	23	23	24
5	Other⁴	111	126	133	137	140	146
6	Total	1,103	1,262	1,368	1,458	1,584	1,720

1. Included in Table 44.

2. Includes food issued to members of the armed forces and to employees in lieu of wages.

3. Lodging in bunk houses, ships, hotels, etc., furnished to employees in lieu of wages.

4. Includes clothing issued to the armed forces, wood fuel cut and used on farms, and estimated services rendered by banks to persons without specific charge.

TABLE 46. Selected Commodity Detail of Merchandise Exports
(as per totals in Table 55 Line 1)

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Agricultural and Vegetable Products	337	394	1,183	1,097	863	752
	Wheat	326	441	621	568	375	338
	Wheat Flour	94	114	116	102	38	74
2	Animals and Animal Products	326	348	238	251	270	264
3	Fibres, Textiles and Products	30	37	28	24	21	23
4	Wood, Wood Products and Paper	1,113	1,309	1,367	1,295	1,378	1,521
	Newsprint paper	486	536	592	619	633	666
	Planks and boards	291	312	296	283	325	385
	Wood pulp	209	365	292	249	271	297
5	Iron and its Products	251	342	407	358	391	399
	Farm implements and machinery (except tractors) and parts	79	97	96	68	71	72
	Machinery (non-farm) and parts	26	40	47	39	38	36
	Automobiles, passenger	19	38	44	36	8	13
	Automobiles, freight	9	25	49	22	4	6
	Automobiles' parts (except engines)	12	16	19	17	15	20
	Iron ore	13	19	22	31	40	100
6	Non-Ferrous Metals and Products	457	576	707	682	709	823
	Aluminum, primary and semi-fabricated	103	121	155	173	182	211
	Nickel, primary and semi-fabricated	105	137	151	163	182	215
	Copper, primary and semi-fabricated	83	82	101	117	127	164
	Zinc, primary and semi-fabricated	59	84	96	58	58	71
	Lead, primary and semi-fabricated	38	45	50	38	41	37
7	Non-Metallic Minerals and Products	194	132	143	117	143	296
	Asbestos, unmanufactured	63	80	87	84	83	95
8	Chemicals and Allied Products	100	132	125	138	161	210
	Fertilizers, chemical	39	36	42	43	42	56
9	Miscellaneous Commodities	60	60	193	125	92	81
10	Total Domestic Exports as per Trade of Canada	3,118	3,914	4,301	4,117	3,881	4,282
11	Adjustments						
	Exports of foreign produce	39	49	55	55	66	69
	Other ¹	- 18	- 13	- 17	- 20	- 18	- 19
12	Total Merchandise Exports as adjusted for Balance of International Payments (Table 55, Line 1)	3,139	3,950	4,339	4,152	3,929	4,332

1. Includes tourist exports, settlers' effects, private donations, warehousing and other adjustments.

Source: Review of Foreign Trade, Calendar Years 1950 to 1955 inclusive (International Trade Division, D.B.S.).

TABLE 47. Selected Commodity Detail of Merchandise Imports
(as per totals in Table 55, Line 7)

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Agricultural and Vegetable Products	484	543	489	488	540	567
2	Animals and Animal Products	87	126	86	88	85	108
3	Fibres, Textiles and Products	365	484	359	387	333	382
4	Wood, Wood Products and Paper	100	137	135	161	166	196
5	Iron and its Products	980	1,332	1,407	1,532	1,322	1,606
	Machinery (non-farm) and parts	226	329	361	402	380	446
	Tractors and parts	108	126	119	126	83	115
	Rolling mill products	94	173	143	125	98	130
	Engines, internal combustion, and parts	47	80	126	108	85	101
	Farm implements and machinery (except tractors) and parts	53	70	78	83	60	63
	Automobiles, passenger	75	57	49	79	61	84
	Automobile parts (except engines)	158	195	190	222	180	247
	Pipes, tubes and fittings	35	43	57	58	60	50
6	Non-Ferrous Metals and Products	216	291	297	365	357	399
7	Non-Metallic Minerals and Products	612	685	642	658	599	664
	Petroleum, crude and partly refined	204	233	210	213	213	230
	Fuel oils	46	58	65	65	71	78
	Gasoline.....	40	33	39	49	35	36
	Coal, bituminous	119	115	100	95	70	74
	Coal, anthracite	54	51	49	40	33	30
8	Chemicals and Allied Products	158	191	188	222	221	260
9	Miscellaneous Commodities	172	296	428	482	470	530
10	Total Imports as per Trade of Canada	3,174	4,085	4,031	4,383	4,093	4,712
11	Adjustments ¹	-45	12	-181	-173	-177	-172
12	Total Merchandise Imports as adjusted for Balance of International Payments (Table 55, Line 7)	3,129	4,097	3,850	4,210	3,916	4,540

1. Includes tourist imports, settlers' effects, advertising, warehousing and other adjustments.

Source: Review of Foreign Trade, Calendar Years 1950 to 1955 inclusive (International Trade Division, D.B.S.).

TABLE 48. Analysis of Corporation Profits, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Corporation Profits before Taxes	2,506	2,810	2,670	2,570	2,350	2,890
2	Deduct: Income and Excess Profits Taxes ¹	- 981	- 1,429	- 1,378	- 1,216	- 1,114	- 1,285
3	Corporation Profits after Taxes	1,525	1,381	1,292	1,354	1,236	1,605
4	Deduct: Dividends Paid to Non-Residents	- 404	- 370	- 334	- 317	- 327	- 389
5	Corporation Profits Retained in Canada	1,121	1,011	958	1,037	909	1,216
6	Deduct: Dividends Paid to Canadian Persons	- 252	- 263	- 264	- 255	- 260	- 280
7	Charitable Contributions from Corporations	- 25	- 27	- 27	- 28	- 25	- 31
8	Undistributed Corporation Profits	844	721	667	754	624	905

1. Includes elective tax on undistributed income of \$54 million in 1950, \$48 million in 1951, \$10 million in 1952, \$10 million in 1953, \$7 million in 1954 and \$8 million in 1955.

TABLE 49. Depreciation Allowances and Similar Business Costs, 1950-1955, Classified by "Type" and "Form of Organization"

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	By Type:						
1	Charges Relating to Capital Consumption ¹	1,572	1,841	2,044	2,327	2,631	2,794
2	Other charges ²	64	69	76	91	42	71
3	Total Depreciation Allowances and Similar Business Costs (1 + 2) = (4 + 5 + 6)	1,636	1,910	2,120	2,418	2,673	2,865
	By Form of Organization:						
4	Corporations	852	1,017	1,155	1,353	1,536	1,653
5	Individuals and Unincorporated Business ³	678	768	830	914	984	1,037
6	Government Business Enterprises	106	125	135	151	153	175

1. Includes charges for depreciation, obsolescence, amortization, capital outlay charged to current expense and claim portion of business and residential property insurance.

2. Includes bad debt charges (less recoveries) and claim portion of business theft, liability and fidelity insurance.

3. Includes co-operatives and non-commercial institutions.

TABLE 50. Gross National Expenditure in Constant (1935-1939) Dollars, 1950-1955

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Personal Expenditure on Consumer Goods and Services	7,022	6,978	7,382	7,782	8,069	8,625
2	Government Expenditure on Goods and Services	1,375	1,713	2,149	2,143	2,084	2,161
	Gross Domestic Investment:.....						
3	New Residential Construction	340	290	284	372	407	501
4	New Non-Residential Construction	554	606	699	735	714	739
5	New Machinery and Equipment	784	890	969	1,027	904	970
6	Change in Inventories	303	453	220	301	- 113	187
7	Exports of Goods and Services	2,027	2,215	2,448	2,440	2,347	2,512
8	Deduct: Imports of Goods and Services	-2,095	-2,342	-2,426	-2,637	-2,518	-2,848
9	Sub Total	10,310	10,803	11,725	12,163	11,894	12,847
10	Residual Error of Estimate	1	27	- 47	- 7	52	21
11	Adjusting Entry ¹	19	105	- 1	- 35	- 114	- 2
12	Gross National Expenditure in Constant (1935-1939) Dollars	10,330	10,935	11,677	12,121	11,832	12,866
13	Percentage Change from previous Year	+ 6.3%	+ 5.9%	+ 6.8%	+ 3.8%	- 2.4%	+ 8.7%

1. The price indexes from 1950 to 1955, as shown in Table 4, were converted to a 1935-1939 base using 1949 as the year of overlap between old and new series. They were then divided into the current dollar figures of Table 2, to give the constant (1935-1939) dollar series shown above. This procedure was followed in the case of Gross National Expenditure, line 12, as well as the major components. It may be noted that this procedure yields year-to-year movements in the constant dollar series which are identical with those shown in Table 3. However, a small residual difference, produced by the change in the major group weighting pattern, is entered to make the components add up to the Gross National Expenditure in constant (1935-1939) dollars as determined in this way.

TABLE 51. Implicit Price Deflators — Gross National Expenditure, 1950-1955
(1935-1939 = 100)

No.		1950	1951	1952	1953	1954	1955
1	Personal Expenditure on Consumer Goods and Services	171.3	190.2	194.6	194.2	196.1	195.8
2	Government Expenditure on Goods and Services	169.2	189.3	197.5	204.8	212.0	219.3
	Gross Domestic Investment:						
3	New Residential Construction	235.8	268.9	276.9	285.2	286.8	294.4
4	New Non-Residential Construction	185.2	207.9	222.4	232.1	232.2	240.1
5	New Machinery and Equipment	177.1	198.8	197.8	201.8	203.7	208.0
6	Exports of Goods and Services	206.4	229.8	227.7	221.3	219.3	229.0
7	Deduct: Imports of Goods and Services	215.4	239.7	222.6	221.6	221.4	225.8
8	Residual Error of Estimate	172.7	189.5	201.4	202.9	205.1	208.5
9	Gross National Expenditure	171.9	191.3	200.1	201.6	206.1	206.8

Section 6
RECONCILIATION STATEMENTS

TABLE 52. Accrued Net Income of Farm Operators from Farm Production, 1950-1955
Reconciliation Statement

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Net Income of Farm Operators from Farming Operations ¹	1,452	2,159	1,929	1,701	1,194	1,458
2	Deduct: Amounts Included in Investment Income ²	- 36	- 41	- 42	- 42	- 41	- 43
3	Deduct: Transfer Payments under Prairie Farm Assistance Act ³	- 14	- 10	- 5	- 2	- 2	- 33
4	Equals: Net Income Received by Farm Operators From Farm Production.....	1,402	2,108	1,882	1,657	1,151	1,382
5	Adjustment on grain transactions ⁴	101	- 36	- 31	- 5	- 4	22
6	Accrued Net Income of Farm Operators from Farm Production ⁵	1,503	2,072	1,851	1,652	1,147	1,404

1. These figures are as published by the Agriculture Division, Dominion Bureau of Statistics, with the exception that provisional estimates for Newfoundland are included.

2. This item includes corporation profits in agriculture and imputed net rent of owner-occupied houses.

3. These items are deducted since transfer payments are excluded from "Net National Income at Factor Cost".

4. Since the National Income purports to measure earnings out of current production rather than receipts of income, it is appropriate to include in Table 1 income accruing to farm operators from farm production rather than income received. Accordingly, an adjustment, consisting of two parts, is made. The first part takes account of the undistributed earnings of the Canadian Wheat Board. The second part of the adjustment allows for the fact that current earnings of this agency are calculated on the basis of the change in book values of inventories, whereas the required valuation of inventories for the National Accounts is the value of the physical change. All the figures are on a calendar year basis.

5. See also Table 1.

TABLE 53. Federal Government Surplus or Deficit, 1950-1955
Reconciliation Statement

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Surplus or deficit as per Public Accounts 1949-50, 1950-51, 1951-52, 1952-53, 1953-54, 1954-55 (fiscal years ended March 31) ¹	131	211	248	24	46	- 152
2	Difference between fiscal and calendar year.....	122	300	- 367	- 24	- 195	11
3	Extra-budgetary receipts, pension and social insurance funds	186	252	437	548	573	615
4	Excess of corporation tax accruals over collections	140	161	45	- 97	- 7	216
5	Revenue items omitted	- 73	- 67	- 49	- 92	- 79	- 45
6	Extra-budgetary expenditures, pension and social insurance funds	- 130	- 108	- 464	- 520	- 618	- 653
7	Reserves, write-offs and similar items charged to expenditure	130	167	195	139	142	108
8	Change in inventories of government commodity agencies	19	16	- 72	24	4	- 5
9	Shipment of previously produced military equipment to N.A. T.O. (less expenditures of Defence Equipment Replacement Account)	57	70	95	55	5	- 2
10	Other adjustments ²	58	40	188	86	63	80
11	Surplus or deficit as per National Accounts (calendar years ended December 31).....	640	1,042	256	143	- 66	173

1. It should be noted that the Public Accounts fiscal year figures include only three months of the calendar year in which the fiscal year ends. For example, fiscal year 1951-52 includes only January to March 1952, the balance of the fiscal year being in the calendar year 1951. An adjustment is therefore necessary to the fiscal figures to exclude the nine months which apply to the calendar year 1951, and to include the nine months of the calendar year 1952 not covered by the 1951-52 fiscal year. This adjustment is made on the basis of published statements of the Comptroller of the Treasury.

2. Includes adjustment in 1952 and subsequent years to convert interest on the public debt from an accrual to a "due date" basis, in order to retain comparability with the historical series.

TABLE 54. Gross Domestic Investment (excluding Inventories), 1950-1955
Reconciliation Statement

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
1	Total Private and Public Investment in Canada¹	3,815	4,577	5,285	5,841	5,620	6,230
2	Deduct: New Residential Construction by Governments ^{2,3} ..	- 44	- 40	- 40	- 23	- 12	- 20
3	Deduct: New Non-Residential Construction by Governments ³ ..	- 495	- 654	- 883	- 875	- 843	- 1,002
4	Deduct: New Machinery and Equipment Outlays by Governments ³	- 60	- 73	- 106	- 103	- 99	- 90
5	Adjustment ⁵	-	-	-	-	-	150
6	Total Gross Domestic Investment (excluding inventories) (1-2-3-4+5) = (7+8+9)	3,216	3,810	4,256	4,840	4,666	5,268
7	New Residential Construction ⁴	801	781	786	1,061	1,166	1,476
8	New Non-Residential Construction ⁴	1,026	1,260	1,554	1,706	1,659	1,775
9	New Machinery and Equipment ⁴	1,389	1,769	1,916	2,073	1,841	2,017

1. As presented in the publications "Private and Public Investment in Canada, Outlook, 1956" and similar reports for prior years. (Department of Trade and Commerce).

2. Excluding residential construction under Veterans' Land Act, construction of veterans' rental housing by Central Mortgage and Housing Corporation, and joint Federal-Provincial housing (Section 46, N.H.A.).

3. Included in "Government Expenditure on Goods and Services", line 2, Table 2.

4. See also lines 3, 4 and 5, Table 2.

5. The 1955 total has been revised upward from that shown in "Private and Public Investment in Canada, Outlook 1956" to take account of later available information. The entire adjustment is in the non-government machinery and equipment item.

TABLE 55. Analysis and Reconciliation of Exports and Imports, 1950-1955¹

No.		1950	1951	1952	1953	1954	1955
		(millions of dollars)					
	Exports of Goods and Services:						
1	Merchandise Exports	3,139	3,950	4,339	4,152	3,929	4,332
2	Gold available for Export	163	150	150	144	155	155
3	Receipts from Services rendered to Non-Residents including dividends and interest received from abroad)	938	1,066	1,169	1,195	1,152	1,352
4	Subtotal: "Current Receipts" as per "Canadian Balance of International Payments"	4,240	5,166	5,658	5,491	5,236	5,839
5	Adjustments ²	- 57	- 77	- 85	- 91	- 89	- 86
6	Total "Exports of Goods and Services" as per National Accounts³	4,183	5,089	5,573	5,400	5,147	5,753
	Imports of Goods and Services:						
7	Merchandise Imports	3,129	4,097	3,850	4,210	3,916	4,540
8	Payments for Services rendered by Non-Residents (including interest and dividends paid abroad)	1,445	1,586	1,644	1,724	1,752	1,991
9	Subtotal: "Current Payments" as per "Canadian Balance of International Payments"	4,574	5,683	5,494	5,934	5,668	6,531
10	Adjustments ²	- 61	- 70	- 94	- 91	- 94	- 101
11	Total "Imports of Goods and Services" as per National Accounts³	4,513	5,613	5,400	5,843	5,574	6,430

1. Data sources are reports on the "Canadian Balance of International Payments" (Balance of Payments Section, Dominion Bureau of Statistics). Figures exclude Mutual Aid to N.A.T.O. Countries.

2. Migrants' funds and inheritances.

3. See also Table 2.

APPENDIX A

TABLE I. Population of Canada by Provinces, 1950-1955

Estimated as of June 1 for Intercensal Years

	1950	1951	1952	1953	1954	1955
	(in thousands)					
Newfoundland	351	361	374	383	398	412
Prince Edward Island	96	98	103	106	105	108
Nova Scotia.....	638	643	653	663	673	683
New Brunswick.....	512	516	526	536	547	558
Quebec.....	3,969	4,056	4,174	4,269	4,388	4,520
Ontario.....	4,471	4,598	4,766	4,897	5,046	5,183
Manitoba	768	776	798	809	828	849
Saskatchewan	833	832	843	861	878	889
Alberta.....	913	939	970	1,002	1,039	1,066
British Columbia ¹	1,137	1,165	1,198	1,230	1,266	1,305
Yukon ¹	8	9	9	9	10	10
Northwest Territories ¹	16	16	16	16	17	18
Canada.....	13,712	14,009	14,430	14,781	15,195	15,601

1. In Tables 27 to 32 (Geographical Distribution of Personal Income), figures for the Yukon and Northwest Territories are included with British Columbia. Per capita estimates of personal income for British Columbia therefore require that a similar adjustment be made to the population data.

TABLE II. The Civilian Labour Force, 1950-1955

Annual Averages¹

	1950	1951	1952	1953	1954	1955
	(in thousands)					
Civilian Non-Institutional Population, 14 years of age and over ..	9,513	9,726	9,946	10,144	10,300	10,529
Civilian labour force:						
Persons with jobs:						
Non-agricultural	3,935	4,171	4,295	4,388	4,320	4,510
Agricultural.....	1,007	940	891	858	873	818
Total Persons with Jobs.....	4,942	5,111	5,186	5,246	5,193	5,328
Persons without Jobs and seeking work.....	164	106	129	137	232	230
Total Civilian Labour Force²	5,106	5,217	5,315	5,383	5,425	5,558

1. Average of the quarterly labour force surveys in 1950, 1951 and 1952 and of the monthly surveys in 1953, 1954 and 1955.

2. The number of persons in the regular Armed Forces not included in these totals is as follows: 1950, 53,000 persons; 1951, 77,000 persons; 1952, 97,000 persons; 1953, 105,000 persons; 1954, 114,000 persons; 1955, 117,000 persons. The figures are quarterly averages for the years 1950 to 1952, and monthly averages for the years 1953 to 1955.

